

Information Item

Fiscal Policy and Analysis Committee

Fiscal Profiles, 2000

This report is the tenth in a series of annual fact books on the financing of the State's public higher education institutions. It also includes selected financial and enrollment information on public elementary and secondary education, and on California's independent higher education institutions.

The 2000-01 State Budget Act signed into law on June 30th, the largest in history, provides increased funding for nearly every aspect of State government, and increases combined State and local fund spending for education to over \$55 billion. The budget provides increased enrollment funding for higher education, and substantially expands student financial aid.

This draft report is being presented today as preliminary information on public educational financing for the current (2000-01) fiscal year. Following this meeting, final information on the budget from the higher education systems will be assimilated into the report. The final version of *Fiscal Profiles, 2000* is anticipated for publication by the end of October for print and wide distribution to the Legislature, policy makers, educators, and the public. It will also be available via the Commission website.

Presenter: Kevin G. Woolfork.

October 16, 2000, Draft

FISCAL PROFILES, 2000

*The Tenth Annual in a Series
of Factsheets About the Financing
of California Higher Education*

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION
1303 J Street + Suite 500 + Sacramento, California 95814-2938



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Introduction

F*ISCAL PROFILES 2000* is the tenth in a series of annual reports by the California Postsecondary Education Commission of statistical information on the financing of the State's public higher education institutions. It also includes selected financial and enrollment information on public elementary and secondary education, and on California's independent higher education institutions.

Highlights of the report

On June 30, 2000, Governor Gray Davis signed the 2000-01 Budget Act for the State of California. The budget allocates just under \$100 billion in total, \$79 billion from the General Fund, \$16 billion in special funds, and \$5 billion from selected bond funds.

The increased budget is due -- as the Commission noted in 1999 -- mainly to the continued robust expansion of California's economy. For the last four years, the "May Revise" (the annual revision in assumptions for State revenues and expenditures from what was presented in January) has yielded multi-billion dollar increases in public revenues. State tax revenues for the past (1999-00) fiscal year are \$1.63 billion higher than initially anticipated and revenues for the current (2000-01) year are expected to rise by another \$2.71 billion, for a total of more than \$4.3 billion in new monies.

For California public secondary and elementary education, the budget estimates an increase in overall funding of almost \$3 billion. Combined State General Fund and Local Property Tax revenue Proposition 98 funding for K-12 and the community colleges is estimated at \$43 billion. The Legislative Analyst estimates that Prop 98 funding per pupil in 2000-01 will be \$6,694, up \$669 above its calculations for last year.

The 2000-01 State Budget provides increased funding in several programmatic areas, in addition to education, which is the main beneficiary. It includes a total of \$1.5 billion in tax and fee reductions including acceleration of the rate reduction to the vehicle license fee. The budget includes \$570 million for various housing-related augmentations, including a \$100 million program to mitigate the impact of new housing developments to encourage cities and counties to increase permits for housing. The budget also includes \$188 million for loans to encourage the creation and rehabilitation of affordable rental housing units.

The budget includes \$2 billion for a transportation congestion relief plan, financed by a one-time direct General Fund appropriation of \$1.5 billion and a diversion of \$500 million of sales taxes from the General Fund to a transportation special fund. The budget also implements a plan that call

for all General Fund sales taxes on gasoline and diesel fuel (about \$1 billion per year) to be dedicated solely to transportation initiatives for the next five years.

In other areas, the budget provides: \$2 billion in additional funds for transportation (streets, highways and mass transit); around \$228 million in specific local government initiatives; and more than \$100 million in General Fund increases for public health and social service programs; and allocates \$300 million more for air, land and water quality programs than was initially proposed in January.

As was the case in 1999-00, public elementary and secondary education is clearly the big winner in the 2000-01 budget. Total K-12 spending, including funding sources not listed in the Governor's Budget, is nearly \$50 billion, an increase of \$5.2 billion (12 percent) over the current year. K-12 General fund spending is more than \$30 billion, an increase of \$4 billion (16 percent). Combined State and Local spending (including non-Prop 98 funds not mentioned above) per pupil is estimated to grow to \$7,022, up seven percent (\$465) from 1999-00 levels.

Among the many significant K-12 initiatives in the new budget are:

- ◆ \$1.84 billion to eliminate the K-12 "deficit factor." This action eliminates a deficit in school district and county office of education revenue limits that existed since the early 1990s, when the state did not fully fund 17 percent cost-of-living adjustments (COLAs). It provides the schools with a significant increase in general purpose-funding — about 7 percent for school districts and about 9 percent for county offices.
- ◆ \$1.6 billion to provide for inflation and growth adjustments for K-12 education. Specifically, the budget includes about \$490 million for a projected 1.45 percent increase in the student population, and almost \$1.1 billion for a 3.17 percent COLA. These funds are discretionary in that they apply to most program funding.
- ◆ \$425 million for school improvement and pupil achievement block grants, \$180 million for one-time educational purposes. This program provides school districts with funds for the following activities: school safety, deferred maintenance, technology staff development, education technology, facility improvements, instructional materials, staff development, computers, education technology, library materials, deferred maintenance, enrichment activities, tutoring services.
- ◆ \$450 million for certificated staff and schoolsite employee performance bonuses tied to improvements in Academic Performance Index (API) scores.

The budget also provides more than one billion for new programs and initiatives designed to improve K-12 teacher training, recruitment and

retention and to improve high school student achievement. The teacher-centered initiatives include training in the use of education technology, instruction to English language learners, and expansion of last year's program to increase beginning teacher salaries. One major policy initiative creates personal income tax credits ranging from \$250 up to \$1,500 for credentialed K-12 teachers in both public and private schools based on years of teaching experience. One program directed at students is a scholarship program for 9th -11th grade students who score in either the top 10 percent at their school or the top 5 percent statewide Standardized Testing and Reporting (STAR) exam.

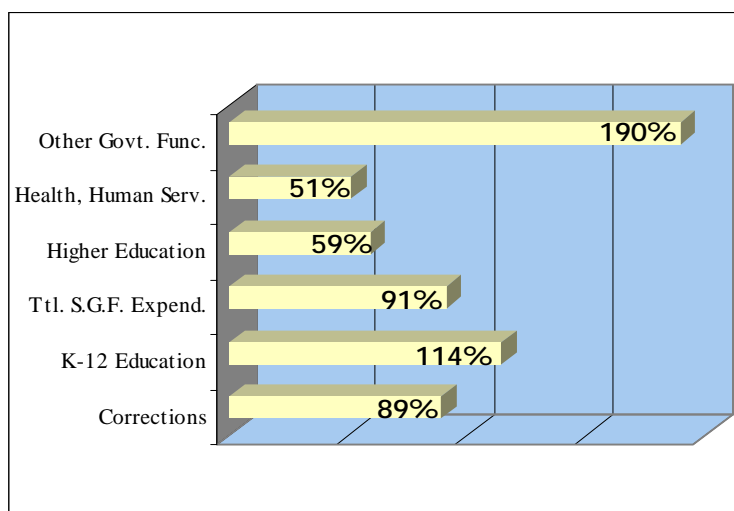
California's postsecondary education enterprise again shares in the benefits of the State's overall funding increases. State General Funds plus Local Property Tax revenues for state's three public higher education systems increases by a staggering \$1.34 billion over last year – by far the largest one-year funding increase in the past 36 years. Total State General Fund spending for the public systems in 2000-01 is \$8.5 billion dollars and when added to local revenues is more than \$10 billion.

Among the budget's most important higher education policy initiatives is the inclusion of \$96 million to expand the Cal Grant Program, adding more than 22,000 new Cal Grant A, B, and C awards for financially needy students. When coupled with the passage of SB 1644 (Ortiz), the budget's expansion of the Cal Grant program provides for as significant an increase in Californian's access to higher education as any initiative in recent memory.

The 2000-01 budget provides the three public systems nearly a quarter-billion dollars for enrollment growth. The budget provides \$117 million for a 3.5 percent growth in funded enrollments at community colleges. \$73 million is provided for an additional 12,577 full-time equivalent State University students (FTES), an enrollment growth rate of 4.5 percent and \$51.2 million for enrollment growth at the University of California of 6,000 students, a 3.75 percent increase in funded enrollment.

In more general trends in State finance, the chart on page four shows the cumulative percent change, by major expenditure category, of State General Fund expenditures over the past ten years (data from 1990-91 through 2000-01). For this chart, the five smaller budget categories – "Legislative, Executive, Judicial," "State and Consumer Services," "Business, Transportation, Housing," "Resources," and "General Government Services" – are combined and shown under the heading "Other Government Functions." This change moderates some of the substantial fluctuations in funding levels for these individual categories over time.

Percent Changes in State General Fund Expenditures this Decade, from fiscal Years 1990-91 through 1999-2000, with Amounts in Thousands of Dollars



As the chart shows, General Fund spending for Higher Education has increased 59 percent, while spending for K-12 education has grown by more than 114 percent during over the past decade. Spending for Other Government Functions has increased 190 percent over the past ten years, however most of this change is because large budget-year funding initiatives, such as the cost of the tax reductions, are accounted for here. Not including the “Other” category, of the four main expenditure categories, K-12 is the highest-growth category over the ten-year period shown. This marks the second straight time in this measurement that a category other than Corrections (89 percent growth) has experienced the highest percentage growth.

Total State General Fund expenditures have increased 91 percent since 1990-91 and Health and Human Services expenditures have increased 51 percent, the lowest rate of change measured here. Health and Human Services, the fastest-growing category for the first half of the 1990s has seen its growth curve virtually halted since 1995. Major State and national policy changes in assistance programs, coupled with the State’s burgeoning economy, have lowered rates of caseload growth in this category.

The chart on page six shows changes, expressed as percentage points, in the proportion, or share of total public funds represented by each of four “State-determined funds” – funds over which either the State or the education systems themselves have policy control – from 1986-87 to 2000-01 for each public system.

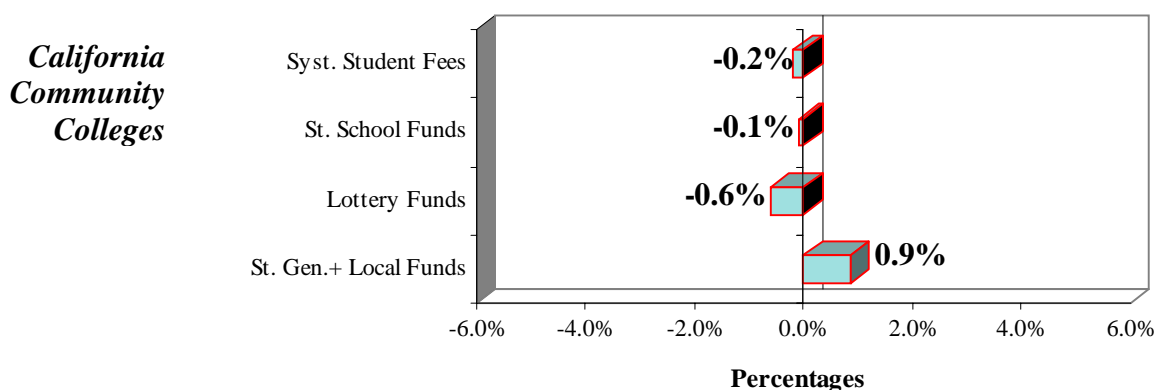
For the community colleges, the proportions represented by these fund sources have changed very little since 1986-87. The largest change is an eight tenths of one percent increase in resident State General plus Local

funds as a proportion of total State-determined funds. In past years, this measurement has shown a decline in share for combined State General and Local funds of as much as four percent. Combined State General and Local funds account for 94 percent of the community college's total State-determined funds (see Display 69).

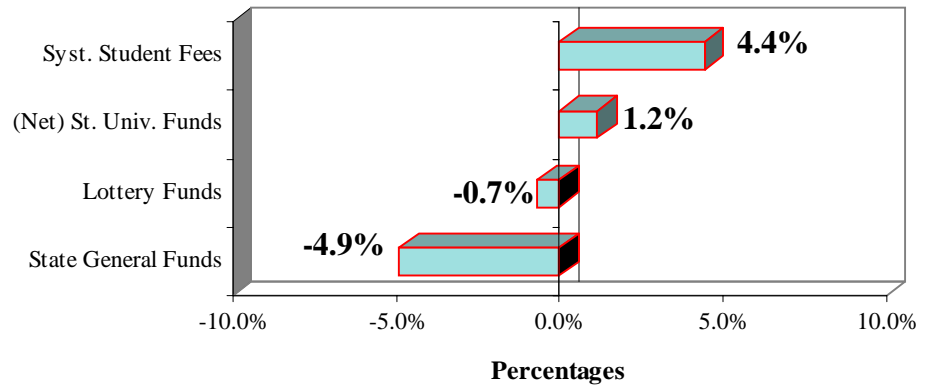
At the California State University, State General Funds, as a proportion of the system's total State-determined fund appropriations, is just over 78 percent, down from 83 percent in 1986-87. "Net" State University Revenues (that is, minus Systemwide Student Fee revenues, which are displayed separately here) currently comprise 5.2 percent of total State-Determined funds, up from four percent 13 years ago. Revenues from resident Systemwide Student Fees, as a share, have increased by 4.4 percentage points during the last 13 fiscal years and now are some 15.2 percent of this total. Lottery funding has dropped as a share of total funds by seven-tenths of a percentage point since 1986-87 and is now 1.3 percent of total State-Determined funds (see Display 69).

At the University of California, State General Funds have dropped by 10 percentage points as a proportion of total State-Determined funds since 1986-87. General University funds (nonresident tuition and miscellaneous student and institutional revenues), as a proportion of the total, have increased from representing less than five percent then to eight percent now. Systemwide Student Fee revenues' share of State-Determined funds nearly doubled since 1986-87 to 15.3 percent of this total. The proportion of the total represented by Lottery funds at the University is fairly steady at one half of one percent (see Display 69).

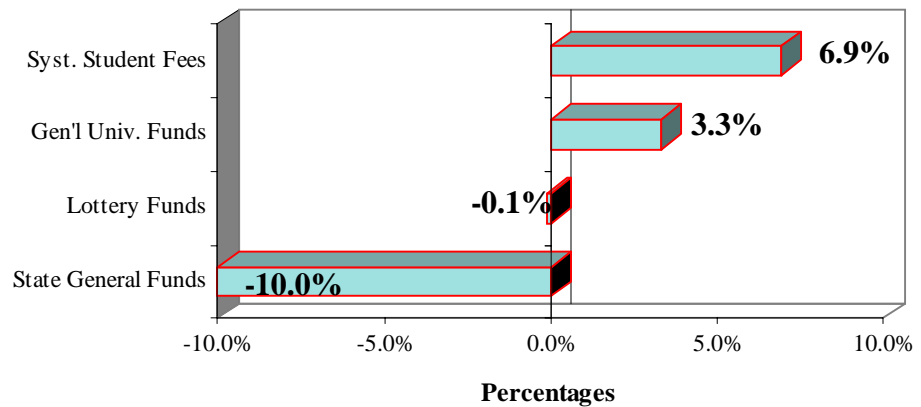
Changes in the Proportion of Total State-Determined Funds, by Fund Source, for California's Three Public Segments of Higher Education between 1986-87 and 2000-01



***California
State
University***



***University of
California***



The past five State budgets have seen unanticipated and unprecedented revenue growth for the State of California. Since 1996-97, non-federal State revenues have jumped by almost \$34 billion – *total* State General Fund expenditures were less than this in 1987-88. For the second consecutive year, the 2000-01 budget uses some of these extra monies for significant infrastructure and programmatic investments in the future. In areas as diverse as transportation and elementary and secondary education, commitments of billions of dollars are made in the 2000-01 budget.

Significantly for higher education, important initiatives are funded this year that will enhance student access to California's public and private postsecondary systems. As mentioned earlier, public system enrollment growth and the State's Cal Grant program of student financial aid are both well funded this year. In addition, the State University and University of California have each signed agreements with the Governor assuring them stable funding increases. If the State's economy keeps performing as it has for the past six years, public revenues should continue to accumulate accordingly. In this environment, the State's higher education

enterprise should continue to prosper, as should the aspirations and educational attainment of those Californians so enrolled.

**Organization
of the report**

Fiscal Profiles 2000 has 98 tabular displays organized under 16 major categories of information. Appendix A contains five pages of multi-year summaries of much of the data from these displays. For most displays, the information presented for the immediate past year (1999-2000) and for the present budget year (2000-01) are estimates representing the most up-to-date information presently available on these varied aspects of California State government finance.

*State General Fund
appropriations*

Displays 1 through 3 describe overall State General Fund appropriations, shares of total spending, and annual percentage changes in nine programmatic areas the State uses to categorize its yearly-spending plan for this fund source through 2000-01. Though there are actually 11 such categories, two of the smaller and more recently created ones – the California EPA and the Trade and Commerce Agency – are subsumed under other categories for the purposes of this analysis.

Among the trends portrayed for 2000-01 in these displays is a decline in the percentage of total General Fund expenditures represented by higher education (Display 2). At 12.1 percent, this year's higher education share of General Funds is second lowest to 1993-94 12 percent share, the lowest ever of the 34 years accounted for here. This, despite tremendous increases in higher education spending over the past two years. Higher education highest share of total General Fund spending was 17.5 percent in the mid-1970s and its average from 1967 through 1990 is nearly 16 percent. Since 1990, however, its highest share was 14.6 percent in 1990 and its average since 1990 is only 12.6 percent. Coupled with other data, this change in higher education's share of State General Fund spending is evidence of at least two trends. First, State General Fund spending in other State programs is growing very rapidly, so much so that even with healthy increases in funding in recent years higher education funding still can't keep pace. Second, higher education's resource base has diversified beyond the General Fund over time to include much greater reliance on sources such as student charges and local taxes.

K-12 Education's share of State General Fund expenditures actually declines in the current 2000-01 fiscal year. The estimated 40 percent of the General Fund budget going to K-12 is the lowest since 1995. This fact is somewhat misleading given the fund shifting that occurred during the development of the current-year budget. During this process, estimated K-12 General Fund spending for the prior year (1999-00) was adjusted sharply upwards, as was overall State spending. This adjustment meant that K-12 General Funds for 1999-00 accounted for 41.2 percent of General Fund spending in that year – its second highest proportion since 1969. Anticipated one-year growth in General Funds for K-12 in the cur-

rent year is just over 11 percent, while overall General Fund spending is expected to increase almost 15 percent.

The relatively small expenditure category “General Government Services” has experienced explosive growth in General Fund spending since 1995-96, increasing more than five-fold. Included in this category in 2000-01 are some expensive new initiatives, such as tax relief for individuals and businesses. Funding shown for the category “Business, Housing, Transportation,” the smallest here at 1.5 percent of total General Fund expenditures, does not include more than \$1.5 billion in capital outlay funding for 2000-01. These latter funds are primarily for major State transportation programs and to several new housing initiatives funded in the budget.

Displays 4 and 5 show State personnel years (filled positions) and State employee salary cost estimates for the five major budget expenditure categories, along with individual proportions of personnel years (PYs) and salary costs since 1967-68. Higher education accounts for almost one-third of total PYs and accompanying salary costs. The combined “Other Govt. Functions” category accounts for almost 37 percent of both total positions and total salary costs of those positions, the highest share of the five categories.

Display 6 presents State General Fund expenditure for State operations and local assistance in the five major budget expenditure categories in actual and “constant” 2000-01 dollars. The first page of Appendix A shows the change over time in these data. It shows that inflation-adjusted spending has increased just 225 percent in 33 years for higher education, 326 percent in K-12 education, and 281 percent overall. Health and Human Services’ constant-dollar General Fund expenditures have grown 264 percent since 1967-68. Constant-dollar General Fund expenditure for the categories Corrections and Other Government Functions have grown dramatically over the past third of a century. Correction is up 653 percent and Other Government Function is up 670 percent. Most of the Other Government Functions spending growth is due to recent-year, shorter-term initiatives, while Corrections spending reflects a more gradual and deliberate build up.

*The total State
spending plan*

Display 7 shows the three different types of revenue sources that comprise the State General Fund. “Major” taxes (mostly income and sales-based) continue to account for almost 98 percent of General Fund revenues and have hovered around this level for the past six years. “Minor” taxes (regulatory fees and proceeds from governmental transactions) comprise just over two percent of General Funds this year, and “Loans and Transfers” from various governmental funds accounts for a net loss of funds for 2000-01. The upward swing of the past 6 years in Sales and Income tax receipts continues to benefit California’s economy. Recent reductions in California’s motor vehicle registration fees – a major source

of State “Special Funds” – have resulted in even greater State government reliance on Sales and Income taxes receipts.

Displays 8, 9 and 10 detail the Total State Spending Plan for the past 36 years, accounting for nearly all State appropriations in five funding categories. While the State General Fund is the largest and most well known component of State government spending, it represents just over two-fifths of the \$190 billion in total State government-authorized government spending in California for 2000-01. Total State spending is estimated to increase by nearly \$18 billion in the current year, or 10.4 percent over 1999-00 levels (Display 8). 2000-01 State General Fund expenditures show a one-year increase of almost \$12 billion (17.3 percent). These one-year increases are actually lower than one would expect, given increases in State revenues. This is so do to the large upward revision in 1999-00 State spending that was included in the May Revision of the budget. Looking at two-year changes (1998-99 to 2000-01), State General Funds have shot up \$21 billion (36 percent) and total State expenditures have grown \$34 billion (22 percent).

Display 9 shows that after the General Fund, at 41.5 percent, the largest funding source is the Federal government at 21.7 percent. Property Taxes account for 12.9 percent of the total State appropriations and make it the second smallest government revenue source. This trend provides a continuing contrast with the pre-Proposition 13 era, when Property tax revenues regularly represented as much – and sometimes more – of overall spending as did the State General Fund.

Display 10 shows funds in these five appropriations categories in both actual and 2000-01 “constant” dollars. One interesting finding from the cumulative change information is shown in Appendix A. These calculations show, among other things, the 35-year changes in constant, non-inflation appropriations of State General, Special, Federal, Cost Fund, and Total appropriations. The percent changes range from a low of 148 percent for Special Funds to a high of 424 percent for Non-governmental Cost Funds. However constant-dollar appropriations of Local Property Tax revenues have grown by only 22 percent since 1965-66.

Display 11 describes Proposition 98 funding for public K-12 education and the California Community Colleges and Display 12 shows the “State Appropriations Limit” (SAL). The Proposition 98 data shown in this display is more informational than explanatory, given the complex nature of this spending plan and the annual negotiations and compromises surrounding it. For the 2000-01 fiscal year, it is estimated that almost \$43 billion in State and local funds will be spent on public school and community college education under the Proposition 98 funding guarantee. The California Community College’s share of Proposition 98 revenues is estimated to increase one-tenth of a percent to 10.3 percent. This ties the highest share of Prop 98 revenues the Community Colleges have received since 1991.

The information in Display 12 on the SAL shows that, even with a burgeoning economy and escalating tax revenues, California continues to gain spending capacity under the limit. A dramatic change occurs for 2000-01 in these data. For the first time in 15 years, the State is estimated to be very near the appropriations limit. Only a combination of tax relief measures and adjustments in the accounting of SAL-related expenditures in the budget kept the State below the 2000-01 calculation of its SAL limit. The SAL is calculated based on changes in California Per-Capita Income, State population growth and K-12 student enrollment, all of which have been accelerating. The State's economy and tax revenues have experienced remarkable growth over the past four years and for the first time in this expansion the State's appropriations position relative to the SAL limit has increased substantially. Given this, it is now possible that the SAL will impact the State's ability to appropriate the monies it collects in the near future. This is a substantial change in position from just 4 short years ago when the State was nearly \$7 billion under the SAL.

*Funding per unit
of full-time equivalent*

Displays 13 through 15 show total funding from various sources per full-time-equivalent student enrollment for the California Community Colleges, the California State University, and the University of California through 2000-01. These displays show that average funding per FTES from combined State, student and local fund sources have generally risen at the community colleges, the State University and the University of California from the mid-1990's. However, each system experiences a big jump in these dollars for 2000-01. Combined per-FTES funding at the community colleges should grow by more than 10 percent, by 7 percent in the State University, and by 12 percent University of California.

Displays 16 through 18 contain information on average appropriations per full-time-equivalent student for instructional-related activities (I-R) in the public systems through 1999-00 and expenditures per FTE for instructional-related activities in selected California independent institutions provided by the Association of Independent California Colleges and Universities (AICCU) through 1998-99. The information is shown by major fund source and as totals in both actual and 1999-00 "constant" dollars to remove the effect of inflation over time.

Total I-R funding for the community colleges increased 10.3 percent per student in actual dollars and 6.5 percent in constant dollars between 1998-99 and 1999-00. Total I-R per-student funding increased only 1.1 percent at the California State University over the past year and has dropped by 2.3 percent when measured in constant dollars. For University of California, I-R funding per student has increased three percent in actual dollars over one year but has declined by one-half of one percent in constant dollars. Actual-dollar I-R expenditures per student for the AICCU institutions show an increase of one and one half percent between 1997-98 and 1998-99 and constant dollar expenditures per student declined by almost 5 percent.

*Appropriations
of funds for
California public
higher education*

Displays 19 through 28 show total funding for the State's three public higher education systems, along with the annual percent changes in total funding for each system. These data are presented individually for each system, by revenue source, and in terms of the proportion of total funding represented by each fund source. Display 19 shows that State General and Local funding combined for all three public higher education systems totals more than \$10 billion dollars in 2000-01, a 14 percent increase from last year. Continuing a trend, the share of total operating revenues represented by systemwide student-fee revenues is anticipated to decline for all three systems. This is due, in part, to the large infusion of State General Funds to each of the public systems. The 2000-01 budget also maintained the 1998 AB 1318-mandated five-percent resident systemwide student fee rollback and the Governor's 1999-00 budget fee reduction. Despite reduced student fee levels, actual revenues from resident student charges are expected to increase in all three public systems.

*Categories
of expenditure
for the systems*

Displays 29 through 33 show expenditures of general-purpose funds for ongoing operations in each of the three public systems by the various expenditure categories used by each system. General-purpose funds consist almost exclusively of the State General Fund, local revenues, and systemwide student-fee revenues, along with some other system-specific fund sources. In addition, these displays include calculations of the proportion of total expenditures represented by each category of expenditure for each system. The University of California spends just under half of every general-purpose fund dollar in the category Instruction and Research, which includes general campus classroom and laboratory instruction and joint student-faculty scholarly research activities (Display 30). The California State University spends 43 percent of its general-purpose funds on Instruction (Display 32). For both the University and the State University, the second largest-funded category is Institutional Support. For 2000-01, the California Community Colleges is estimated to spend almost 87 percent of its general-purpose funds on apportionments to the colleges. The past four years have seen the apportionment's share of community colleges operating funds consistently in the 86-87 percent range, a good deal lower than its average 93 percent share in the earliest the 28 years of this measurement (Display 33).

*Student tuition and
fee charges
and revenues*

Displays 34 through 39 contain a variety of information on student resident fees and non-resident tuition at the State's three public systems and the revenues generated by these charges. For the sixth consecutive year, the budget does not increase student fees. Overall student-generated revenues at the community colleges, the State University, and the University of California are all expected to rise moderately this year. Given that resident student fee levels are the same this year as in 1999-00, this anticipated gain is due primarily to increased enrollments and changes in non-resident tuition levels at the University of California. Constant-dollars amounts of student-generated revenues are shown in Displays 36 - 39 and in Appendix A. These data show that when the effects of inflation are removed, systemwide resident undergraduate student fee levels have

increased by 190 percent at the State University and 141 percent at the University over the past 34 years. Over the 17 years of the existence of systemwide student fees in the community colleges, these revenues have grown by 79 percent in constant dollars.

Student Financial Aid Programs

Displays 40 through 43 show funding for the State's Cal Grant A, B, and C student financial aid programs for public, independent and proprietary postsecondary students. Included are data on total funding for the programs, the number of new grants awarded each year, and the maximum dollar amount of each grant award. Display 40 shows the substantial increase in State General Funds for student financial aid in California in 2000-01 – up \$142 million (36.4 percent) over last year. Display 41 shows both the number of “new” and “total” Cal Grant awards in one display; the display also shows the total number of new Cal Grants awards for Fall 2000 Semester. The information shows that 77,603 new Cal Grants will be available this year.

Displays 41 and 42 include financial aid information on the Cal Grant T Program, which established in 1998-99 as a need-based program of tuition and fee assistance to students attending a teacher credential program at an approved California public or private institution. The Cal Grant T provides benefits for one academic year and is intended for students who have not previously participated in the Cal Grant programs. Currently, 3,000 teacher credential candidates received these grants and this number is maintained in 2000-01.

Display 42 shows maximum grant award levels for Cal Grants A, B, and C. The maximum Cal Grant A and B award levels for students attending independent institutions will rise to \$9,708 for 2000-01. Display 43 shows information on student loan volume. The display shows both the number of student loans and total dollar amount of those loans guaranteed by the Student Aid Commission for three groupings of postsecondary institutions. This display shows that the Student Aid Commission guaranteed more than 423,000 student loans in 1998-99 with a total value of nearly \$2 billion.

Capital outlay funds

Displays 44 through 49 show capital outlay (construction and building renovation projects) funding for the three public higher education systems, including both State and non-State fund sources. Due to the volatility and project specificity of the funding source “Other, Non-State,” it is excluded here from the calculations of annual percent changes in total capital outlay expenditures. The 2000-01 budget contains almost \$656 million in State-allocated building funds for the three public systems. Virtually all of this funding comes from the “Higher Education Capital Outlay Bond Fund of 1998,” a \$9.2-billion measure approved by voters in November 1998. Excluding “Other, Non State,” for the decade, voter-approved general obligation bond issues have provided nearly all of the funding for California's public higher education systems' building programs.

<i>California's independent institutions and enrollments</i>	Displays 50 through 60 show selected information for California's independent institutions belonging to the Association of Independent California Colleges and Universities (AICCU). Displays 50 and 51 show information on student financial aid for AICCU-member institutions through 1998-99. Display 51 shows that in 1999-00, for only the second time in the past 13 years, the percentage of tuition at independent institutions covered by the maximum "Cal Grant A" award is greater than 50 percent.
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Displays 52 through 57 deal with current fund revenues, enrollments and educational and general (E&G) expenditures in AICCU institutions. Display 52 shows current fund revenues, by source, for the independent institutions and the average of total revenues per FTE student through 1998-99. Display 55 shows E&G expenditures for ongoing operations in 10 common expenditure categories, along with total E&G expenditures and the average of these expenditures per FTE student. "Instruction-Related Expenditures" (I-R) per Full-Time Equivalent (FTE) student information (Display 57) for 1998-99 in AICCU institutions declined slightly from the previous year and now stand at \$19,903 per student.

Displays 58 through 60 show information on the independent college and university sector in California in comparison to the sector of independent institutions in other states. Display 58 shows that, for 1997-98, only four of the 34 states listed (Illinois, New York, Pennsylvania, and Texas) spent more funds on independent colleges than California, the same number and group as last year. Growth in appropriations to independent institutions slowed significantly in the middle-sized and larger states during the economic downturn of the early 1990s. Appendix A shows that over the past 12 years, state appropriations to independent institutions in the dozen largest states have risen by varying degrees. These funds have risen 117 percent in California, only eight percent in new York (which has, historically, the highest level of such spending), and nearly 500 percent in Texas.

Display 60 shows that, through 1997-98, California has had one of the nation's largest population of students attending independent colleges in terms of both headcount and FTE enrollment. In 1998-99, there were more than 200,000 headcount students attending California independent institutions included in this survey. New York enrolls the largest number (397,558), followed by Massachusetts (219,534) and Pennsylvania (218,943).

<i>Enrollments in California public postsecondary education</i>	Displays 61 through 63 show headcount and FTE (funded) enrollment for the California Community Colleges, the California State University, and the University of California. Funded enrollment information in Displays 61 and 62 for 2000-01 show an increase of more than 46,167 FTE students in the community colleges, approximately 15,026 FTES for the State University, and an estimated 4,935 FTES for the University. Displays 63 and 64 show breakdowns of FTE enrollment, first in the University of California, then in the California State University and Community
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Colleges. The University's enrollment information in Display 63 is presented by student level. In Display 64, the State University FTE enrollment information is shown by level of students, while the Community Colleges' FTE enrollment information is presented by funding source.

All of this information shows that whether measured in terms of actual (headcount) or funded units (FTE), enrollment in California public post-secondary education has risen steadily since the end of the State's 1990-1994 economic recession.

Price (inflation) indices, income growth, and system financial support

Displays 65 through 67 show actual index values, annual percent changes, and inflation factors (used for "constant-dollar" conversions) for selected State and national price indices, including the Higher Education Price Index, California Personal Income, and Implicit Price Deflators, through 2000-01. For 2000-01, nearly all of these measurements of inflation show that price increases continue their moderation of the past few years, in the one to three percent range. Over the four most recent fiscal years, consumer price inflation for both the United States and California has increased by an average of 10 percent – among the lowest growth rate of any four-year period in these series. Growth in overall California personal income has picked up in recent years, rising an average of 6 percent each year since the end of the recession. This rate of growth is expected to slow somewhat, rising by 4.3 percent in 2000-01.

Display 68 compares the annual percent changes in some of the indices with annual changes in State General and Local Funds in the three public higher education systems. Also included are annual budgeted faculty salary adjustments and the Commission's yearly faculty salary parity adjustment calculations for the State University and the University. For 2000-01, the Commission estimated that the State University would need an 8.9 percent increase and the University a 3 percent increase to gain parity with their respective groups of comparison institutions. The 2000-01 budget provides for faculty salary increases of 6 percent for the State University and increases ranging from 3 percent for the University.

Actual and constant-dollar State-determined funds

Display 69 shows comparisons of fund sources labeled here "State-determined funds" for the State's three public higher education systems. These are fund sources (primarily State and local funds and student charges) over which the State and/or the education systems exercise policy-making or allocation authority. For the State University and University, State General Funds represent the vast majority of State-determined funds, 76 and 79 percent respectively. State General plus Local revenues account for 94 percent of the California Community Colleges' State-determined funds, a higher share than in any year since 1991-92.

Displays 70 through 75 show appropriations of these fund sources for current operations in current (actual) dollars and 2000-01 "constant" dollars, as total appropriations per Full-Time Equivalent (FTE) student. Multi-year summary information on these data are contained in Appendix

A. The 2000-01 information for all three systems shows a continuance of the trend of State General Funds (plus local revenues) growing by a relatively small amount since 1967-68, when the impact of inflation is removed, in comparison to the other State-determined fund sources. Over the past 33 years, total State-Determined Funds per student have risen only 15 percent in the community colleges, 23 percent in the State University, and 38 percent for the University.

*Hastings College of
the Law and public
K-12 school support*

Display 76 shows the State General Fund and total funds (including student fee revenues) for Hastings College of the Law and the school's FTE student enrollment. One section of this display still being compiled shows levels of Hastings student resident and non-resident student charges for the past 33 years. Hastings FTE enrollments have grown only 13 percent since 1965-66, while the college's State General Fund support has increased nearly thirty-fold during this time. "Hastings Funds" (student fees and other sources) have increased thirty-eight times over during this same period of time.

Displays 77 through 79 show funding and enrollment information for California public elementary and secondary education (K-12). Total funding for public K-12 education in 2000-01 is estimated to be nearly \$50 billion (including federal and other funds), 9 percent higher than last year. Combined State and local funding for public K-12 education is almost \$45 billion this year, almost \$4 billion (9.3 percent) higher than the revised 1999-00 totals. By this measurement, State and local expenditures average out to approximately \$7,080 per funded student in 2000-01. Enrollment in the public school system is measured in units of "average daily attendance" (ADA), and the system's funding is primarily based upon levels of ADA. California public K-12 school ADA, which includes adult and alternative schools, is expected to grow by more than 1 percent in 2000-01.

*Per-capita and
"Caseload"
spending in
California public
education*

Displays 80 through 83 show per-capita appropriations of revenue sources for current operations for the public K-12 education and each of California's public higher education systems. Display 84 shows average per-capita "combined" fund spending for the State's four public education systems individually and as a total for each of the past 35 years. It indicates that total 2000-01 average per-capita appropriations for the State's four public education systems is \$1,639 this year. Of this total, four-fifths is represented by K-12, eight percent by the community colleges, five percent by the State University, and seven percent by the University.

Display 85 shows per-capita appropriations of State General Funds in the five "combined" major State expenditure categories (see Display 6) for years 1967-68 through the present; these data are also shown proportionally, as their respective "shares," of the total of per-capita State General Fund expenditures. Again here, K-12 Education (40 percent) has the largest share, followed by Health and Human Services (27 percent), Higher Education (12 percent), Other Government Functions (15 per-

cent), and Corrections (seven percent). In total, the State is expected to spend \$2,214 dollars per resident in 2000-01 on these five areas of government, and increase of \$252 (13 percent).

Display 86 shows calculations of California “Per-capita” personal income since 1965-66. The information in this display differs from the “California Personal Income” shown in Display 66 in that *per-capita* personal income is the average income for each person living in the State (please see “Definitions,” Appendix B). This years’ information shows that California per-capita personal income will grow 2.5 percent, slower than any year since the recession year of 1993. In constant dollars, per-capita personal income in 2000-01 dollars is down one-tenth of one percent since last year and is now 54 percent higher than in 1965-66.

Display 87 shows changes in the averages of State and combined fund appropriations, per person, for Californians served in the two education areas in terms of State finances and total finances. First, the combination of the State General Fund, Local Tax Revenues, and Non-governmental Cost Funds (see Display 8) are divided by the State population, similar to the calculation for the State’s “per-capita” spending. Then, for public higher education, its combined State, local, and student-fee revenues is divided by headcount enrollment to provide caseload average appropriations. Finally, K-12 combined (State and local) funding is divided by K-12 headcount enrollment. From the last page in Appendix A, these measurements continue to show that, relative to increases in its service population, State funding for higher education has experienced by far the lowest overall growth in public-fund “dollars per caseload” of the three categories. Higher Education’s 35-year growth is less than half of the growth rate of overall State funding and just over half that for combined State and Local funds for K-12 education.

Displays 88 and 89 show California’s population and headcount enrollment in the State’s public K-12 education system and its three public higher education systems. Display 90 shows comparisons of overall State General Fund appropriations (SGF’s) and State populations with changes in public higher education systems’ State and Local funds and combined headcount enrollments. The cumulative data in Appendix A for Displays 88 and 90 show that higher education enrollment has grown almost two-and one-half times as much as the State’s population since 1965-66. However, higher education State funding has increased at a rate less than three-quarters that of overall State General Funds.

*National
comparative
higher education
appropriations and
expenditures*

Displays 91 through 98 present information comparing spending on higher education among the 50 states and the District of Columbia. Displays 91 through 94 use information compiled by the Bureau of the Census in its publication, *Government Finances*, and its succeeding data published only over the Internet. The federal government defines some sources and uses of funds differently than does California and excludes some fund sources for higher education in its calculations that California

includes. As a result, calculations of per-capita expenditures in Displays 91 through 94 are not comparable with those in the earlier display in this report, but are included here because they contain the only government information available that controls for state variances to produce consistent comparisons of higher education spending across the country. It is important to note that these data include expenditures of federal funds. The update of some of these data are pending additional information from the Census Bureau.

Display 91 shows per-capita spending on higher education in the nation's seven most populous states from 1967 through 1996 and Display 92 shows the annual percent changes in these expenditures. In 1993, California had the highest level of per-capita expenditures of the seven most populous states. In 1994 and 1995 it declined in this ranking to third highest of the seven most populous states. For the most recent year, California's \$375 of per-capita expenditures makes it the highest of the large states, with Texas (\$371), Ohio (\$357), and Illinois (\$349) the next highest states. The national average higher per-capita expenditures grew by three percent to \$379 for 1996.

Display 93 expands this comparison to cover the 30 most populous states for a 10-year period (1987-1996). California was in the top 10 of the states measured here for the earliest four of the 10 years shown, then slipped to as low as twenty-first during its last recession year of 1994. For 1996, California ranks sixteenth of the 30 most populous states in per-capita expenditures higher education. California's cumulative (nine years of change) ranking is now twelfth among these 30 states. California now ranks second highest among the 10 most populous states in the cumulative rankings. Michigan (eighth most populace) is second to Iowa in per-capita expenditures for higher education. Generally, the states with largest per-capita expenditures for education and most other program areas have smaller populations, such as Iowa (thirtieth most populace). Oregon is sixth in this measurement and twenty-ninth in population and Colorado is fourth here and twenty-fifth in population.

Displays 94 and 95 show appropriations of State funds for higher education (as defined by the U.S. government) for the 35 most populous states for the past 18 years and annual percent changes in these appropriations. California continues, by far, to have the largest higher education appropriations, as it has for the entirety of this data series. For 1999-00, California's \$7.7 billion is nearly double the next highest states, Texas (\$4 billion) and New York (\$3 billion dollars). For all 35 states shown here, 1999-00 appropriations exceed those for 1998-99. The one-year change for the 50 States as a whole is seven percent and the 18-year percent increase is 133 percent. The State of Mississippi has achieved the largest percentage increase in funds between 1982-83 and 1999-00 (209 percent), followed by Florida (208 percent), and then Arkansas (202 percent). California's higher education appropriations, as defined here, have increased by 141 percent during these 18 years.

Display 96 presents higher education current fund appropriations and annual percent changes for the past 15 years in those states that have, for at least one of the three most recent years, appropriated more than \$1 billion to higher education operations -- a group called the "Megastates" by Peirce (1972). Due to its sheer size, California's appropriations far eclipse those of the next closest state (Display 96), and thus this display also includes State funds for the California State University and the University of California as the equivalent of a state. These two institutions together, without the addition of the California Community Colleges and other higher education institutions and agencies, would constitute the second largest "State" in terms of state-funded higher education appropriations for every single year shown here. The funding difference between the State University and University combination and the state with the next largest higher education appropriations has ranged from its current high of more than one and one-half billion dollars, to a low of only \$57 million in 1993-94.

The Display also presents the 17 states by their annual percentage change in appropriations of State funds for higher education. In the most recent year-to-year comparison (1998-99 to 1999-00), the state of Virginia has the highest growth rate (14 percent) of any State; California and Indiana tie for sixth at 7 percent. The combined California State University/University of California would rank first in this measurement, with a growth rate of 15.6 percent, if it were a separate state. California ranks eighth in cumulative percentage change in funding between 1985-86 and 1999-00, with an 88 percent increase. Florida tops this list with a 14-year change of 147 percent, followed by Georgia (134 percent), and North Carolina (113 percent). New York has experienced the smallest overall rate of growth in this measurement of state fund appropriations for higher education since 1985-86 with a 23 percent increase.

Display 97 compares State General Fund appropriations for current operations of the California State University and the University of California over the past six years with those of their respective national public faculty salary comparison institutions. For the second consecutive year -- and only the second time since this display was introduced -- the annual percent changes in State funding for the University of California exceed those of its public comparison institutions. The State University's one-year funding increases rank it only seventh relative to its public comparators. When funding changes over a five year period are measured, the State University's increase ranks it fourth among its comparators. The five-year recovery in State appropriations to the State University and University has made up the funding gap in this comparison of appropriations with the public comparison institutions.

Finally, Display 98 shows a summary of State General Fund appropriations for ongoing higher education operations in the 50 states over the past 35 years, along with annual and two-year percent changes. Changes in the United States Consumer Price Index (U.S. CPI) and the Higher

Education Price Index (HEPI) are also shown here for comparisons. These data show increases in State-fund higher education appropriations continues to surge well ahead of annual increases in the U.S. CPI and the HEPI. The recessionary period of the early 1990s was the only time the annual change in these appropriations was lower than both the U.S. CPI and HEPI. The 1999-00 fiscal year's \$3.7 billion funding increase over 1998-99 is the largest dollar increase in the 35 years of information shown here, the second consecutive year of a new high.

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APPENDIX A: PERCENT CHANGES FOR SELECTED PERIODS OF TIME, FROM SELECTED DISPLAYS

Display 1: State General Fund Expenditures in the State's Nine Budget Categories

	<u>Leg - Exec</u>	<u>St., Con.</u>	<u>Bus-Hous.</u>	<u>Resources</u>	<u>H and W</u>	<u>Correct'n</u>	<u>K-12 Ed.</u>	<u>Higher Ed.</u>	<u>Gen. Govt.</u>	<u>Totals</u>
10-year	89%	81%	743%	124%	51%	89%	114%	59%	291%	91%
20-year	525	271	1,540	424	189	741	311	189	200	264
33-year	2,661	932	6,908	2,157	2,138	3,810	2,165	1,602	5,952	2,252

Displays 4, 5: "State PYs" and Salary Cost Estimates for the Five Combined Budget Expenditure Categories

	<u>Health, Human Serv.</u>		<u>Corrections</u>		<u>K-12 Education</u>		<u>Higher Education</u>		<u>Other Govt. Funct'ns</u>		<u>TOTALS</u>	
	<u>PYs</u>	<u>Salary</u>	<u>PYs</u>	<u>Salary</u>	<u>PYs</u>	<u>Salary</u>	<u>PYs</u>	<u>Salary</u>	<u>PYs</u>	<u>Salary</u>	<u>PYs</u>	<u>Salary</u>
10-year	10%	47%	62%	100%	16%	45%	2%	28%	20%	62%	17%	53%
20-year	-1	136	289	754	9	127	5	146	49	248	35	219
33-year	30	683	419	3,074	44	673	79	944	74	934	87	1,022

Display 6: St. General Fund Appropriations for State Government Functions in Actual and 2000-01 "Constant Dollars"

	<u>Health, Human Serv.</u>		<u>Corrections</u>		<u>K-12 Education</u>		<u>Higher Education</u>		<u>Other Govt. Funct'ns</u>		<u>TOTALS</u>	
	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>
10-year	51%	18%	89%	48%	114%	67%	59%	24%	190%	126%	91%	49%
20-year	189	48	741	329	311	110	189	48	307	108	264	86
33-year	2,138	320	3,810	634	2,165	325	1,602	220	3,405	558	2,252	342

Display 7: "Major," "Minor," "Loan & Transfer," and Total Revenue Sources for the State General Fund

	<u>Major Sources</u>	<u>Minor Sources</u>	<u>Loans, Transfers</u>	<u>TOTALS</u>
10-year	96%	66%	-106%	93%
20-year	306	80	-108	288
35-year	2,913	1,375	-171	2,803

Display 10: "Constant" and "Actual" Dollar Appropriations in the State's Five Major Funding Categories

	<u>State General Funds</u>		<u>State Special Funds</u>		<u>Federal Funds</u>		<u>Local Property Tax</u>		<u>Non-gov. Cost Funds</u>		<u>TOTAL Funds</u>	
	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>
10-year	96%	53%	82%	42%	92%	50%	49%	16%	69%	32%	82%	42%
20-year	273	91	377	143	302	105	284	96	376	143	302	105
35-year	2,955	415	1,372	148	2,329	310	625	22	1,429	424	2,082	268

Displays 11: Proposition 98 Funding

	<u>K-12, Related Prop 98 Funds</u>			<u>Other Agencies</u>	<u>Comm. College Prop 98 Funds</u>			<u>Prop 98 TOTAL</u>	<u>State Appropriations Limit</u>			
	<u>SGF's</u>	<u>Local Rev.</u>	<u>Totals</u>		<u>SGF's</u>	<u>Local Rev.</u>	<u>Totals</u>		<u>Ttl. SAL \$</u>	<u>Excluded \$</u>	<u>Net SAL \$</u>	<u>SAL Limit</u>
5-year	69%	25%	54%	2%	83%	25%	55%	54%	42%	38%	45%	36%
10-year	100	117	104	34	56	113	74	102	86	69	97	66
12-year	108	162	121	64	85	157	107	121	291	255	289	325

Displays 12: State Appropriation Limit

NOTES:

1. PLEASE see the "Definitions" and "Notes and Sources" appendices for IMPORTANT information on these displays.
2. For Display 6, "Other Govt. Functions" combines the five smallest of the State's expenditure categories.
3. For Display 10, the 35-year percent change line for "Non-gov. Cost Funds" covers only **25** years.
4. For Display 12, *State Appropriations Limit* longest period of change measured here as "12-year" actually shows **22** years of change.

Sources: Fiscal Profiles, 2000 (data tables)

Displays 16-18: Average Revenues Per FTE for Instruction-Related Activities (I-R) in Actual and "Constant" Dollars

	<u>UC St. Gen. Funds</u>		<u>UC, Total Funds</u>		<u>CSU St. Gen. Funds</u>		<u>CSU, Total Funds</u>		<u>CCC SGFs + Local</u>		<u>CCC, Total Funds</u>	
	<i>Actual</i>	<i>Constant</i>	<i>Actual</i>	<i>Constant</i>	<i>Actual</i>	<i>Constant</i>	<i>Actual</i>	<i>Constant</i>	<i>Actual</i>	<i>Constant</i>	<i>Actual</i>	<i>Constant</i>
1-year	6%	6%	3%	0%	2%	2%	1%	-2%	11%	11%	10%	7%
3-year	26	14	16	5	14	3	8	-2	18	7	16	5
5-year	34	14	21	4	23	5	16	-1	42	21	37	17
10-year	21	-18	54	-3	31	-9	38	-4	44	0	42	-2
18-year	105	-17	151	2	97	-20	136	-5	150	1	165	7

Displays 19 - 28: Public Higher Education Systems' Fund Sources for Current Operations

<i>University of California</i>		SGFs'	GUF	SSFs	Lottery	Special	Extramur'l	TOTAL
5-year		67%	35%	10%	2%	15%	38%	34%
10-year		50	59	156	6	59	57	58
20-year		198	407	562	14	355	250	271
33-year		1,215	2,494	4,082	--	2,851	1,287	1,597

<i>California State University</i>		SGFs'	SUR	SSFs	Lottery	Cont'g Ed.	Federal	TOTAL
5-year		52%	11%	4%	38%	42%	44%	4%
10-year		50	63	83	-24	119	310	74
20-year		160	395	882	228	532	683	257
33-year		1,183	1,098	3,184	--	10,013	3,483	1,593

<i>California Community Colleges</i>		SGF+ Loc'l	SGFs	Local	St.Sch'l	SSFs	Lottery	TOTAL
5-year		66%	108%	25%	-38%	-6%	13%	59%
10-year		77	61	113	-50	118	18	77
20-year		215	155	418	-56	138	42	240
35-year		1,933	3,750	1,225	--	--	--	2,190

Displays 29 - 33: Public Higher Education Systems' General Purpose Expenditures in Program Categories

<i>University of California</i>		Instruct'n, Dept. Res.	Organized Research	Public Service	Academic Support	Student Services	Institut'l Support	TOTAL
10-year		37%	96%	382%	37%	--	37%	50%
20-year		193	309	835	155	--	191	205
34-year		1,318	1,029	13,473	1,502	--	1,079	1,258

<i>California State University</i>		Instruct'n	Research	Public Service	Academic Support	Student Services	Institut'l Support	TOTAL
10-year		13%	-92%	412%	133%	180%	81%	57%
20-year		128	--	--	288	1,894	255	227
33-year		762	-65	1,207	1,370	17,575	2,402	1,518

<i>California Community Colleges</i>		Apportionm.	Spec. Serv.	Admin.	TOTAL
10-year		55%	154%	69%	63%
20-year		181	1,884	234	217
32-year		1,227	16,201	1,552	1,429

NOTES:

1. PLEASE see the "Definitions" and "Notes and Sources" appendices for IMPORTANT information on these displays.
2. For Displays 16-18, "Total Funds" is the total of each system's I-R fund sources, as are shown in the two displays.
3. For Displays 19-27, excluded here for the UC, CSU and CCC are their respective "Other Funds" revenue sources.
4. For Displays 19-27, "Lottery" and CCC's "SSFs" are shown, respectively, only for the length of time they have existed.
5. For Displays 29-33, excluded here for the UC and CSU are their respective Provisions for Allocations" expenditure categories.
6. For Displays 29-33, UC, CSU and CCC expenditure categories are excluded if no funding is currently being allocated to them.

Sources: Fiscal Profiles, 2000 (data tables)

Displays 34, 35: UC, CSU, and CCC Systemwide, Non-Resident, and Total Student Fee Revenues

<u>University of California</u>				<u>California State University</u>			<u>California Community Colleges</u>		
	SSFs	Non-Res.	TOTAL	SSFs	Non-Res.	TOTAL	SSFs	Non-Res.	TOTAL
5-year	10%	55%	16%	4%	25%	7%	-6%	35%	6%
10-year	156	67	135	83	35	75	118	61	92
20-year	562	431	535	882	191	656	138	193	679
33-year	5,228	2,059	4,150	4,612	3,583	4,452	--	596	1,749

Displays 36-39: UC, CSU, and CCC "Constant" and "Actual" Dollar Student Fee Levels and Non-Resident Tuition Levels.

University of California					California State University					Calif. Comm. Coll.		
{ SSFs }		{ Total }		Non-Res.	{ SSFs }		{ Total }		Non-Res.	{ SSFs }		
Actual	Constant	Actual	Constant	Actual	Actual	Constant	Actual	Constant	Actual	Actual	Constant	
3-year	-10%	-19%	-6%	-15%	14%	-10%	-19%	-6%	-15%	0%	-15%	-24%
5-year	-10	-23	-4	-19	33	-10	-24	-3	-18	0	-15	-28
10-year	111	50	118	54	60	83	30	99	41	20	230	134
20-year	377	86	411	99	327	793	93	710	216	242	230	74
34-year	1,458	134	1,518	143	1,181	1,779	182	1,643	162	1,130	--	--

Displays 40, 41: Numbers of Annual New and Total (including renewals) Cal Grants A, B, and C Awards and Combined Totals

	<u>Cal Grant "A" Awards</u>		<u>Cal Grant "B" Awards</u>		<u>Cal Grant "C" Awards</u>		<u>Cal Grant "T" Awards</u>		<u>Combined Totals</u>	
	<i>New</i>	<i>Total</i>	<i>New</i>	<i>Total</i>	<i>New</i>	<i>Total</i>	<i>New</i>	<i>Total</i>	<i>New</i>	<i>Total</i>
10-year	101%	39%	185%	50%	394%	93%	43%	--	149%	74%
20-year	134	57	399	109	480	98	--	--	234	113
32-year	524	482	3,392	4,371	1,552	815	--	--	1,287	1,168

Displays 42: Cal Grant A, B, C, and T Programs' Maximum Dollar Amount per Award

Cal Grant "A" Award Amount		<u>Cal Grant "B" Awards</u>			<u>Cal Grant "C" Awards</u>			Cal Grant "T" Award Amount
		Tuition & Fee Grant	Subsistence Allowance	Total Award	Tuition & Fee Grant	Training Allowance	Total Award	
10-year	85%	85%	10%	69%	10%	9%	10%	4%
20-year	203	224	41	175	30	15	27	--
30-year	547	341	72	1,151	30	15	126	--

Displays 44-49: Public Higher Education Systems' Major Government Sources of Funds for Capital Outlay

<u>University of California</u>				<u>California State University</u>			<u>California Community Colleges</u>		
	State	Non-St.	TOTAL	State	Non-St.	TOTAL	State	District	TOTAL
10-year	-3%	-90%	-62%	-31%	20%	-21%	557%	--	59%
20-year	351	-39	108	710	561	658	1,557	-63%	1,578
31-year	109	-11	156	476	1	728	1,076	-86	412

NOTES:

1. PLEASE see the "Definitions" and "Notes and Sources" appendices for IMPORTANT information on these displays.
2. For Displays 34, 35 and 36-39, the CCC student fee revenues and various fee levels are shown only for the time they have existed.
4. For Displays 40, 41, the "32-year" change line for "B" grant awards shows 30 years and for "C" grant awards shows 27 years.
5. For Display 42, the "30-year" change line for each of the Cal Grant programs shown here reflects the earliest year of data available.
7. For Displays 44-49, "State" funds includes COPHE, General Obligation Bonds, and Other Bonds and State Special Funds.
8. For Displays 44-49, "Total" capital outlay funds includes only State, Local and Federal Government funds.
9. For Displays 44-49, percent change for each fund source is measured from the most recent year in which funds were allocated within it.

Sources: Fiscal Profiles, 2000 (data tables)

Display 58: State Appropriations to Independent Colleges and Universities in Selected States

	<u>California</u>	<u>Illinois</u>	<u>Maryland</u>	<u>Massachu.</u>	<u>Michigan</u>	<u>New Jersey</u>	<u>New York</u>	<u>Ohio</u>	<u>N Carolina</u>	<u>Pennsylv.</u>	<u>Texas</u>	<u>Virginia</u>
3-year	38.1%	13.4%	20.5%	8.6%	--	-10.2%	-14.5%	14.6%	28.7%	7.3%	18.3%	-1.3%
5-year	93.1	21.5	45.9	150.3	5.8	13.2	-9.9	24.7	48.4	25.2	21.5	21.5
12-year	117.4	103.5	217.0	10.8	83.1	161.1	8.2	265.8	130.2	96.8	492.5	103.7

Display 61-64: Enrollments in California's Three Public Systems of Higher Education

<u>University of California</u>							<u>California State University</u>				<u>California Community Colleges</u>	
<i>Full-Time Equivalent Student Enrollment</i>							<i>FTE Student Enrollment</i>					
	<u>Headcount</u>	<u>Und'r Grad</u>	<u>Graduate</u>	<u>Gen. Campus</u>	<u>Health Sci</u>	<u>Total FTE</u>	<u>Headcount</u>	<u>Und'r Grad</u>	<u>Graduate</u>	<u>Total FTE</u>	<u>Headcount</u>	<u>FTE Enrl't</u>
5-year	11.5%	13.5%	6.5%	12.3%	-3.9%	11.0%	17.2%	13.6%	27.2%	11.7%	19.4%	18.6%
10-year	9.2	13.2	0.8	10.9	-2.8	9.8	0.9	3.7	11.6	6.9	5.5	24.3
20-year	34.9	48.3	9.3	47.5	-2.1	35.7	19.8	21.5	25.9	24.7	15.4	26.1
35-year	125.6	168.4	35.6	130.1	163.3	132.2	145.3	146.3	171.8	149.8	247.4	182.7

Display 65-67: Implicit Price Deflators, California Personal Income, and California and U. S. Inflation Indices

<u>Implicit Price Deflators</u>				<u>Consumer Price Indices</u>		<u>California</u>	<u>Higher Ed. Price Indices</u>		
<u>Gross Dom. Products</u>	<u>St. & Loc'l Purch.</u>	<u>Pers. Con. Expend.</u>		<u>US CPI</u>	<u>Calif. CPI</u>	<u>Personal Income</u>	<u>Boeck Construc.</u>	<u>HEPI</u>	<u>Research & Devel.</u>
5-year	8.3%	13.6%	8.4%	12.2%	14.4%	35.0%	13.3%	17.9%	15.6%
10-year	21.6	28.1	22.5	29.4	28.4	63.7	29.8	41.0	40.1
20-year	79.4	96.0	85.6	100.1	105.4	242.0	116.5	156.1	158.2
34-year	345.8	492.8	352.9	443.3	459.9	443.3	480.8	566.1	502.9

Displays 70-75: UC, CSU and CCC Total and per FTE "Actual" and "Constant" dollar State-Determined Funds

<u>University of California</u>					<u>California State University</u>				<u>California Community Colleges</u>			
<u>Total SDF</u>		<u>Total SDF, per FTE</u>			<u>Total SDF</u>		<u>Total SDF, per FTE</u>		<u>Total SDF</u>		<u>Total SDF, per FTE</u>	
<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>		<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>	<u>Actual</u>	<u>Constant</u>
5-year	51.8%	28.7%	15.5%	19.6%	39.3%	18.1%	20.9%	2.5%	60.4%	36.0%	35.3%	14.7%
10-year	60.7	14.0	-47.9	7.1	52.6	8.2	45.6	3.3	75.8	24.7	41.4	0.3
20-year	239.6	32.6	158.1	0.8	205.5	19.3	150.1	-2.4	234.4	30.5	165.2	3.5
33-year	1,445.3	156.1	708.8	34.0	1,329.5	136.9	620.3	19.4	1,504.1	165.9	565.8	10.4

Displays 77-78: California Public K-12 Education Major Revenue Sources and ADA Enrollment

<u>Revenue Sources</u>							<u>Enrollment (Average Daily Attendance)</u>					
	<u>SGFs</u>	<u>Other St.</u>	<u>Local Rev</u>	<u>Federal</u>	<u>Other</u>	<u>TOTAL</u>	<u>Element'ry</u>	<u>High Sch'l</u>	<u>Adult Ed.</u>	<u>County</u>	<u>ROC / P</u>	<u>TOTAL</u>
5-year	93.2%	16.3%	30.4%	78.0%	-38.2%	67.1%	9.8%	14.8%	5.3%	22.3%	9.9%	11.0%
10-year	95.2	11.8	98.1	170.9	78.5	99.0	20.7	23.0	41.0	78.9	19.8	22.4
20-year	311.7	2,257.0	335.9	431.9	-16.6	331.4	57.6	31.4	62.2	278.8	74.9	50.8
34-year	2,826.5	534.8	736.3	3,215.9	-93.6	1,156.4	37.3	45.3	121.7	57.0	101.0	50.1

NOTES:

1. PLEASE see the "Definitions" and "Notes and Sources" appendices for IMPORTANT information on these displays.
2. For Display 58, 1994-95 is the most-recent year of data available for Maryland, Massachusettes and Ohio.
3. For Display 61-64, UC "Gen. Campus" includes Lower & Upper-Division students; CSU "Graduate" includes Postbaccalaureats & Grad. students.
4. For Displays 77-78, "County" and "ROC/P" the 34-year change line only covers 21 years and for "Adult Ed." only covers 34 years.

Sources: Fiscal Profiles, 2000 (data tables)

Displays 84, 85: "Per-Capita" funding for State Education Programs, Expenditure Categories.*"Combined" Fund Appropriations for K-12 and
California's Three Public Higher Educ. Systems**State General Funds for California's Five Major State
Budgeting Categories*

	K-12 Ed.	CCC	CSU	CCC	Ed Total	H and W	Correct'ns	K-12 Ed.	Higher Ed.	Oth Govt.	TOTAL
5-year	40.5%	48.8%	37.4%	38.3%	40.8%	31.7%	18.6%	59.4%	55.7%	173.1%	56.4%
10-year	67.5	52.3	28.3	29.2	60.3	31.1	63.9	85.7	37.9	150.7	65.4
20-year	192.4	122.3	87.0	149.1	174.3	99.0	478.0	182.5	98.8	180.2	150.1
33-year	761.6	1,055.8	888.0	962.6	799.0	1,141.0	2,067.7	1,155.6	843.5	1,843.6	1,204.0

Displays 86, 87, 89: Actual and Constant "Per-Capita" California Personal Income and "Caseload" Funds for Selected Entities and Comparisons of State vs Higher Education Funding

California PER CAPITA			"Caseload"	CALIF.	HIGH'R ED.	K-12 EDUC.	CALIF.	HIGH'R ED.	CALIF.
Personal Income		CA State		St., Local	St.-Local-	"Combined"	SGF	SGFs plus	State
<i>Actual</i>	<i>Constant</i>	<i>Population</i>		<i>Oth. Funds</i>	<i>Stud't Funds</i>	<i>Funds</i>	<i>Revenues</i>	<i>Local Rev.</i>	<i>Population</i>
5-year	25.2%	9.4%	7.9%	42.1%	26.5%	34.9%	73.6%	62.8%	7.9%
10-year	41.8	10.4	15.5	55.1	49.1	52.6	95.7	60.7	15.5
20-year	135.2	14.5	45.4	171.4	168.6	180.3	273.4	194.6	45.4
35-year	761.5	53.9	84.7	1,111.7	490.0	1,029.4	2,955.3	1,778.6	84.7

Display 88: California Education Enrollment and State Population

	K-12 Headc'nt	CCC Headc'nt	CSU Headc'nt	UC Headc'nt	Ttl. Ed Headc'nt	Ttl. H.E. Headc'nt	CA State Population
5-year	12.3%	19.4%	15.0%	11.5%	13.7%	17.9%	7.9%
10-year	26.8	5.5	0.9	9.2	20.3	4.9	15.5
20-year	51.7	15.4	19.8	34.9	41.1	17.5	45.4
33-year	40.9	247.4	145.3	125.6	64.2	210.7	84.7

Display 91: Per-Capita Govt. Expenditures for Higher Education in the Nation's Seven Most Populous States, and 50-State Average

	California	New York	Texas	Florida	Pennsylv'a	Illinois	Ohio	7-St. Ave.	U.S. Ave.
5-year	7.0%	10.7%	16.3%	12.7%	92.2%	22.9%	22.8%	22.4%	21.6%
10-year	30.1	41.9	42.8	93.6	172.6	69.3	57.6	62.1	61.9
20-year	143.6	208.7	203.0	194.7	475.3	207.1	277.6	222.7	235.4
28-year	553.5	695.6	826.4	656.2	1,509.8	836.1	824.5	783.0	753.1

Display 96: Higher Education General Funds for Current Operations in the "Megastates,"

	<u>CALIF.</u>	<u>UC/CSU</u>	<u>New York</u>	<u>Texas</u>	<u>Illinois</u>	<u>Mich.</u>	<u>Florida</u>	<u>Ohio</u>	<u>N. Car.</u>	<u>Pennsylv.</u>	<u>New Jersey</u>
5-year	58.8%	60.1%	0.1%	32.6%	34.3%	29.0%	63.7%	31.4%	33.1%	19.0%	19.5%
10-year	42.3	49.9	-1.8	56.0	49.1	47.3	78.9	44.4	57.2	37.2	35.1
12-year	87.6	81.2	23.1	85.7	94.2	80.0	146.5	86.4	112.6	78.6	91.9
	<u>Virginia</u>	<u>Minnesota</u>	<u>Wisconsin</u>	<u>Georgia</u>	<u>Washingt'n</u>	<u>Indiana</u>	<u>Alabama</u>	<u>Megastate Total</u>			
5-year	52.9%	24.2%	9.8%	38.7%	31.3%	32.8%	6.7%	35.7%			
10-year	35.9	35.3	35.2	76.4	55.5	50.7	41.0	43.5			
12-year	92.0	81.9	65.2	134.1	97.1	101.1	73.4	84.3			

NOTES:

1. PLEASE see the "Definitions" and "Notes and Sources" appendices for IMPORTANT information on these displays.
2. For Display 84, the inflation factors used to calculate 1998-99 "constant-dollars" are from the Calif. Consumer Price Index (CCPI).
3. For Display 89, these totals include expenditures of local, state and FEDERAL funds.

Sources: Fiscal Profiles, 2000 (data tables)

APPENDIX B: DEFINITIONS

The Commission has used the following definitions of terms in this report:

Bond Funds: The capital outlay displays identify two types of bonds “General Obligation Bonds” and “Other State Bonds.” “General Obligation Bonds” are general issue bonds that are approved by the Legislature and State voters with repayment guaranteed from the State’s general revenue source (i.e., taxes). “Other State Bonds” are revenue bonds that are sold to fund specific projects whose repayment is guaranteed by revenues that the funded project is expected to generate. Examples of the types of projects funded by revenue bonds are parking structures and dormitories. These operations charge fees to their users, and those fees are used, in part, to retire the accumulated debt of the bonds.

Cal Grants A, B, and C: The Cal Grant A Program helps needy students with the tuition and fees portion of the costs involved in attending college. Grant winners are selected on the basis of both need and grade point average. The Cal Grant B Program provides a living allowance and sometimes tuition and fee aid for low-income students. The Cal Grant C Program helps vocational education students with tuition and training costs.

COFPHE: capital outlay funds used for public higher education are defined as COFPHE. They are derived from Tide Lands oil revenues and collected by the State Lands Commission.

Continuing Education Revenue Fund: Revenue generated by fees from the following nontraditional programs: concurrent enrollment, extension, and external degree.

Extramural Funds (University of California): All funds not included in the University of California’s budget; hence, the terms *extramural* and *non-budgeted* are used interchangeably. These funds include sponsored research financed by federal contracts and grants, federal appropriations for the Department of Energy Laboratories, funds related to State agency agreements, and funds from private gifts and grants. These

resources are designated as extramural because, with the exception of the laboratories, they are negotiated from year to year (or are negotiated after the end of the contract or grant period) and have no permanence attached to them. They are, therefore, appropriated outside of the budget.

Federal Mineral Tax: Funds generated from federally leased lands used for the production of geothermal energy, oil, gas, and minerals. The federal government collects all lease revenue and turns over half to the State.

Funded Units of Enrollment: Government services are usually funded based on workload measures that typically are a statistical calculation of the number of clients to be served. For California public K-12 education, the unit of workload measure is “Average Daily Attendance,” or ADA. One ADA in public K-12 education equals the number of days a student attended school during an academic year divided by the number of days school was in attendance that year. A student is assumed as being in attendance for a school day if she or he is there for one session during the day.

California’s two public baccalaureate degree-granting education systems, The California State University and the University of California, use the term “full-time-equivalent” enrollment (or, FTE) to describe units of student workload measure for funding purposes for the systems. The California Community Colleges use the term “full-time-equivalent students” (or, FTES) as its student workload measure for funding purposes. FTE student enrollment is based upon the number of course units a student enrolls in during a semester, while FTES are determined by student contact hours of classroom instruction. Though the two terms are used interchangeably here and in other most publications, it is important to note that FTE enrollment and FTES are determined through entirely different methodologies.

For the California Community College, one FTES represents 525 class (contact) hours of student instruction/activity in credit and noncredit courses. The number, 525, is derived from the

fact that 175 days of instruction are required each year and a student attending three hours per day for 175 days will be in attendance for 525 hours. That is, three times 175 equals 525.

For the California State University, the term FTE enrollment is defined to be 15 semester or quarter units. Variations in the academic calendars of the campuses of the CSU are taken into consideration in the definition of the annual FTES, which is equivalent to 30 semester or 45 quarter units. With these definitions, the number of individual students on campus is difficult to determine, but the total volume of instructional activity is more accurately reflected.

For the University of California, one undergraduate FTE in the semester system is student enrollment in 15 semester units for two semesters. One graduate FTE in the semester system is student enrollment in 12 semester units for two semesters. In the quarter system, the totals are 45 undergraduate credit units and 36 graduate credit units per academic year, respectively.

Implicit Price Deflators (IPD): These are derived from the national income and products accounts. They are derived as the ratio of current to constant-dollar Gross Domestic Product (GDP), multiplied by 100. They are also weighted averages of the detailed price indexes used in estimating constant-dollar GDP but the indexes are combined using weights that reflect the composition of GDP in each period. Consequently, changes in IPD reflect not only changes in process but also changes in the composition of GDP. Thus, they are generally not designed to be used as measurements of price changes.

The advantage of IPDs is that since they take changing expenditure patterns into account, they are more representative of the actual, or effective rate of inflation in the nation. These deflators are not available at the State or regional level. This limitation is a drawback for most states, however in a large state with a diversified economy such as California a national deflator is probably as representative as would be any state data-based inflation index.

The two major IPDs presented here are the Gross Domestic Product (GDP) deflator and the State and Local Government (S&LG) deflator.

Independent Colleges: the Association of Independent California Colleges and Universities (AICCU) supplied the information in Displays 50 through 60. AICCU membership is comprised of 72 nonprofit, degree granting, and Western Association of Schools and Colleges (WASC) accredited colleges and universities. AICCU estimates that a total of 112 degree-granting and nonprofit institutions actually operate in California. However, the vast majority of the 40 non-AICCU member institutions are either not regionally accredited or they are seminaries with a student body very different than traditional degree-granting institutions. AICCU further estimates that, of these 40 institutions, fewer than five are eligible for AICCU membership. AICCU members account for an estimated 98 percent of the independent sector's total enrollment in California postsecondary education. Students attending AICCU institutions also receive 93 percent of the State financial assistance received by students attending an independent college or university in the state.

For the California-specific information in Displays 50 through 57, information was compiled from 70 of the 72 association member institutions. The national data on independent institutions in Displays 58-60 was taken from an information network on state assistance programs of independent accredited colleges and universities. It is important to note that, since much of this reporting is done on a voluntary bases, the year-to-year mix of reporting institutions may change and this may have an impact upon the data reported.

The AICCU nonprofit independent colleges and universities should not be confused with "proprietary" schools or "for-profit" and degree-granting institutions that are not regionally accredited.

Inflation Measures: The report utilizes various statistical measurements of periodic changes in prices as a yardstick for gauging the effect of increased costs and financial obligations on funding for California's public colleges and universities, on levels of student charges (tuition and fees), and faculty salaries. These price (inflation) indices are explained below, using information and descriptions provided by the U.S. Bureau of Labor Statistics, the California Department of Finance, and material in the book *Inflation Measures for Schools & Colleges, 2000 Update* (Re-

search Associates of Washington, September 2000).

U.S. CPI: The United States Bureau of Labor Statistics "Consumer Price Index for All Urban Consumers", or U.S. CPI, is a measure of the average change in prices over time in a fixed market basket of goods and services purchased by U.S. residents. According to the Bureau, the items included in the pricing survey are: food, clothing, shelter, transportation costs, medical and dental care charges, and other goods that people buy for day-to-day living. All of the taxes directly associated with the purchase and use of items are included in the index. Items in this market basket are weighted for importance in the base year, as determined by a survey of consumer expenditures; relative weights change over time as the price of items rises more or less rapidly than the overall index. Prices are collected in 85 geographic areas around the country, utilizing more than 57,000 housing units and 19,000 retail businesses. The U.S. CPI is based on monthly pricing of the market basket and this pricing occurs throughout the entire month.

California CPI: The California Consumer Price Index is calculated by the State's Department of Finance, in consultation with the California Department of Industrial Relations, and is conceptually based upon the U.S. CPI. It was initially established as a population-weighted average of the five-county Los Angeles area and the 10-county San Francisco all-items survey in the late 1940s.

HEPI: Dr. Kent Halstead of Research Associates of Washington developed The Higher Education Price Index (HEPI). It measures the average relative level of prices for goods and services purchased by postsecondary institutions through current educational and general expenditures (E&GE). In this way, HEPI shows changes in the costs of services unique to colleges and universities (such as, faculty salaries, instructional equipment, etc.) in addition to more traditional expenditure categories, such as plant maintenance and utilities. Sponsored research, sales and services of education departments, and other for-profit or auxiliary enterprises are not included in the calculation of HEPI.

Specifically, according to Dr. Halstead, HEPI is based upon the following: (1) salaries of college personnel, from faculty and administrators to

clerical and nonprofessional staff; (2) contracted services, such as data processing, communication, transportation materials and supplies, maintenance, and equipment; (3) library acquisitions; and, (4) utilities. Weights are assigned to these items representing the relative importance of each item in the current E&GE budget. These data are collected from a variety of sources, including salary surveys conducted by the American Association of University Professors and the College and University Personnel Association and U.S. CPI information from the Bureau of Labor Statistics of the U.S. Department of Labor. Information from other price indices is also in the calculation of the HEPI. These indices are discussed next.

The LPI, HEPI, Boeckh, and R&D price indices are copyrighted by Research Associates of Washington. Thus, this report will no longer show the most recent years' index values or annual percent changes values for these 3 inflation measures

Other Price Indices: The following price indices are also used or referenced in this report:

1. The Academic Library Current Operations & Acquisitions Price Index (LPI). The LPI reports the relative year-to-year price level of goods and services purchased by postsecondary institution libraries for their current operations. The priced components of LPI are organized into three parts -- personnel compensation, acquisitions and contracted services, and supplies and materials.

2. *The Elementary-Secondary School Price Index (SPI).* The SPI measures the effects of inflation on the current operations of elementary and secondary schools. It reports relative price levels that schools pay for a fixed group of goods and services for their daily operation. These expenses include administration, instruction (mostly teacher salaries), plant operation and maintenance, and other costs. Costs excluded are capital outlay and debt service.

3. *The Research and Development Price Index (R&DI).* The R&DI measures changes in the price of goods and services bought by colleges and universities through current direct expenditures for sponsored research, excluding indirect (overhead) research costs charged to other departments. The direct expenditures for sponsored research priced by the R&DI consists of salaries and wages for professional and nonprofessional

personnel, fringe benefits, contracted services, supplies and materials, and equipment.

4. *The Boeckh Construction Index (Boeckh)*. The Boeckh Division of the American Appraisal Company computes the Boeckh index. It is a measurement of inflation on building apartments, hotels and office buildings -- a mix of facilities relatively applicable to structures built on college campuses. The Boeckh index is a "fixed input" type of index of wage rates and building material prices weighted together. It covers the structural portion of building and all the integral plumbing, heating, lighting and elevators.

Instruction-Related Activities (I-R): This term is used to define the average expenditures for instructional activities in the postsecondary education sectors. The public-sector information on instruction-related expenditures was initially generated for the Commission report, "Expenditures for University Instruction" (Commission Report 93-2) which contains background detail on the numbers shown here. The methodology for determining these instructional-related revenue data was agreed to by the Commission, the three public higher education systems, the Department of Finance, the Office of the Legislative Analyst, and other officials involved with the earlier project. For the California Community Colleges and the California State University, these expenditures were determined by dividing each system's selected fund sources for a given year by their full-time-equivalent (FTE) enrollment for that year to determine average State support per funded student.

For both the Community Colleges and the State University, "State Determined Funds" (please see definition below) were used. For the University of California, a more detailed methodology was developed. In this methodology, funds not related to general campus instruction were removed prior to calculating average State support per funded student. These calculations removed expenditures for health sciences, organized research, and public service from the University's "State Determined Fund" sources. For the independent institutions surveyed here, the AICCU used data from the "Integrated Postsecondary Education Data Survey" (IPEDS) to show total instruction-related expenditures for participating independent institutions.

Local Revenues: This fund source for public K-12 Education and the California Community Colleges is local property taxes, including local government agencies' debt service, excess property tax payments, and State property tax subventions. For the community colleges, these revenues also include nonresident student tuition paid by persons attending the colleges whose legal residence is in another state or country.

Per-Capita: Per-capita calculations divide a given data series by a defined population grouping. For Example, California Per-capita personal income is derived by dividing the State's total personal income (TPI) by its population (TPI is the sum of all of the money earned by all of the residents of the State in a given year). To calculate the State's population would divide that entity's selected expenditures per-capita expenditures for a given funded entity.

Proposition 98: On November 8, 1988, voters of the State approved Proposition 98, the "Classroom Instructional Improvement and Accountability Act," a combined initiative constitutional amendment and statute designed to guarantee public primary, elementary, secondary and community college education (referred to as K-14) a minimum share of the State's General Fund revenues each year. Other State agencies (the departments of Developmental Service and Mental Health, the State Special Schools, and the California Youth Authority) also receive funding under Proposition 98; however, their combined share averages less than one-third of 1 percent of annual Proposition 98 funding. The initiative was later modified by provisions contained in Proposition 111, approved by the voters in June of 1990.

Under Proposition 98 X as modified by Proposition 111 X public schools and community colleges are to get the *greater* of: {a} in general, a set percentage of General Fund revenues (commonly referred to as "Test 1"); {b} the amount of General Funds appropriated to K-14 in the prior fiscal year, adjusted for changes in the cost-of-living (as measured by changes in State per-capita personal income) and enrollment ("Test 2"); or, {c} a third test that replaces "Test 2" in any year in which the percentage growth in per-capita General Fund revenues from the prior year plus 0.50 percent is less than the percentage growth in State per capita personal income ("Test 3"). Under "Test 3", K-14 receives the same

amount appropriated to it in the prior year, adjusted for changes in enrollment and per capita General Fund revenues plus another small adjustment factor. In any year that “Test 3” is used, K-14 receives a “credit” for future revenue years in which the General Fund is larger than the difference between the “Test 3” amount and the amount that would have been appropriated under “Text 2.”

Public Service: For the University of California, activities funded within this category include campus public service, cooperative extension, the contract with the Charles R. Drew University of Medicine and Science, and the California College of Podiatric Medicine conducted cooperatively with the University’s San Francisco School of Medicine. Campus public service programs include the California Community College Transfer Centers, California Subject Matter Projects, EQUALS, Lawrence Hall of Science, MESA, Paint, California Articulation Number, Scripps Aquarium-Museum, and the Tertagaon Registry.

Restricted Funds: Budgeted funds within the University of California that are not identified by a 199XX fund number and that are earmarked for specific purposes, such as hospital income for teaching hospitals, fees for University Extension courses, and room and board charges for dormitory operations are restricted funds.

SAFCO: Special Account For Capital Outlay. This fund is also supplied with tidelands oil revenues.

State Appropriations Limit: As described by the materials from the State Treasurer, the State of California is subject to an annual limit on its appropriations imposed by Article XIII B of the State Constitution, which was adopted by the State’s voters as Proposition 4 in 1979. This “State Appropriations Limit” (SAL) was significantly modified by the voters in Proposition 98 and Proposition 111 (discussed above). Nearly all state authorizations to spend proceeds of taxes are subject to the SAL. Essentially, this phrase refers to tax revenues, some regulatory license fees, and “excess” user fees (fees collected above levels needed to provide the service for which they are being collected). “Proceeds of taxes” excludes most State subventions to local governments, tax refunds and some benefit payments, such as unemployment insurance.

Specifically excluded from the SAL are appropriations for: (1) debt service on bonds in existence prior to January 1, 1979 and those bonds approved by the voters subsequently; (2) appropriations required to comply with mandates of courts or the federal government; and (3) appropriations for “qualified” capital outlay projects and appropriations derived from State gasoline tax increases and motor vehicle weight fee increases, per Prop 111 (explained below). Several initiatives approved in recent years were specifically written to be exempt from the Article XIII limits and were structured to create new revenue sources dedicated to specific uses, such as the tobacco tax increase in Proposition 99 in 1988. The SAL may also be suspended in cases of emergency as declared by the Governor (natural disasters and civil disturbances). If the SAL is otherwise exceeded (i.e., appropriations are made over the limit on approval by a two-thirds vote of the Legislature and the Governor), the entire excess must be recaptured over the next three fiscal years by lowering State appropriations.

Originally, the SAL was based on actual fiscal year 1978-79 authorizations; however, this method changed starting in fiscal year 1991-92, because of provisions in Proposition 111. The 1991-92 SAL was recalculated based upon the 1986-87 SAL and implementing the annual adjustment procedures spelled out in Prop 111. These provisions require that the SAL in each year be based on the State limit for the prior year, adjusted annually for changes in State per-capita personal income and changes in population. When applicable, this adjustment would also account for transfers of the financial responsibility for providing public services among units of government. As amended by Prop 111, the SAL is tested (calculated) over consecutive two-year periods, with any excess “proceeds of taxes” collected over that time that fall above the combined SALs for those two years split equally between K-14 education and refunds to taxpayers.

State Determined Funds: The term “State-Determined Funds,” as defined here, includes only those fund sources used for operating expenses for the general, non-restricted educational missions of the three public higher education systems over which they and/or the State (through the Legislature and Governor) have policy and allocation authority. For the California

Community Colleges, these funds are: State General Funds plus Local Revenues, Systemwide Student Fees (SSFs), and State School Funds, and Lottery Funds. For the California State University, these funds are: State General Funds, State University Funds, SSFs, and Lottery Funds. State University Funds are “Higher Education Fees and Income,” minus the State University Fee SSFs here (please see “1999-2000 Governor’s Budget,” page E 66, Table 3). For the University of California, these funds are: State General Funds, General University Funds, SSFs, and Lottery Funds. General University Funds are “General Funds Income,” under the heading “University Sources” (please see “1999-2000 Governor’s Budget,” page E 47, Table 3, line 68).

State General Fund: The State General Fund is the main account for State revenues from which appropriations for most State programs emanate. It is used to account for all revenues and activities financed therefrom that are not required by law to be accounted for by any other fund. Most State expenditures are financed from the General Fund. Normally, the only difference between the General Fund and the other governmental cost funds are constitutional or statutory restrictions placed on the use of the other governmental cost funds.

UCRP: University of California Retirement Program (also referred to as UCRS University of California Retirement System): A retirement system set up for University of California employees.

University Funds: All University of California-generated income that is classified as General Purpose Resources (budgeted under a 199XX fund number) and that includes nonresident tuition; the State’s share of overhead receipts from federal contracts and grants and the Department of Energy Laboratories management fee; interest earned on General Purpose Resource Fund balances; application fee income and income from certain other student fees and charges; and miscellaneous sources such as farm income, and sales and service income.

The Commission uses the following acronyms and abbreviations throughout this report:

BLS: The Bureau of Labor Statistics, U.S. Department of Labor

CCC: The California Community Colleges (the abbreviation “CCCs” also refers to the community colleges.

COSF: State Commission on State Finance.

CPEC: California Postsecondary Education Commission.

CSAC: The California Student Aid Commission.

CSU: The California State University System.

DOF: The California Department of Finance.

GUF: General University Funds (for the UC).

LAO: The Office of the Legislative Analyst.

SDF: State-Determined Funds.

SGF: The State General Fund.

SSF: Resident undergraduate Systemwide Student Fees at the three public higher education systems.

SLIAG: State Legalization Impact Assistance Grants.

STRS: State Teachers’ Retirement System.

St./Local: State General + Local Funds (for the CCCs).

St.Sch’l: The State School Fund (for the CCCs).

SUF: State University Funds (for the CSU).

UC: The University of California system.

UCOP: The University of California Office of the President.

Two-letter State abbreviations:

AL	Alabama	MT	Montana
AK	Alaska	NE	Nebraska
AZ	Arizona	NV	Nevada
AR	Arkansas	NH	New Hampshire
CA	California	NJ	New Jersey
CO	Colorado	NM	New Mexico
CT	Connecticut	NY	New York
DE	Delaware	NC	North Carolina
FL	Florida	ND	North Dakota
GA	Georgia	OH	Ohio
HI	Hawaii	OK	Oklahoma

ID	Idaho	OR	Oregon
IL	Illinois	PA	Pennsylvania
IN	Indiana	RI	Rhode Island
IA	Iowa	SC	South Carolina
KS	Kansas	SD	South Dakota
KY	Kentucky	TN	Tennessee
LA	Louisiana	TX	Texas
ME	Maine	UT	Utah
MD	Maryland	VT	Vermont
MA	Massachusetts	VA	Virginia
MI	Michigan	WA	Washington
MN	Minnesota	WV	West Virginia
MS	Mississippi	WI	Wisconsin
MO	Missouri	WY	Wyoming

APPENDIX C: NOTES AND SOURCES

PLEASE see “Definitions” (Appendix B) for complete explanations of some of the abbreviations and acronyms used in this section.

DISPLAY 1

1. Some of the State agencies presently within the expenditure categories displayed here were located within other categories in past years. This occasionally results in substantial changes in funding levels within the categories, as a whole, over the years. Additionally, some entire expenditure categories were contained within other categories in earlier years’ budgets. These categories have been disaggregated here so as to maintain a consistent format for programs and categories across the many years of this display.

2. The substantial percentage increases in K-12 Education General Funds in fiscal years 1978-79 and 1979-80 were the results of the replacement of monies provided by the State to partially offset local property tax revenues lost with the passage of Proposition 13 on June 6, 1978.

3. The category “Resources” includes funding for the “California Environmental Protection Agency,” which became a separate expenditure category beginning with the 1991-92 budget. Due to its small size and the short time it has been displayed as a category, funding for this department is still included in the category “Resources” in order to maintain consistency with data presentations for earlier years.

4. The category “Business, Transportation, and Housing” includes funding for the “Trade and Commerce Agency,” which became a separate expenditure category beginning with the 1993-94 Budget. Due to its small size and the short time it has been displayed as a category, funding for this department is still included in the category “Business, Transportation, and Housing” in order to maintain consistency with data presentations for earlier years.

5. The category “General Government” is used to account for “budgetary savings” (monies allotted but not anticipated to be spent) assumed to be generated throughout all of the State’s expendi-

ture categories. Thus, the expenditure totals in this category may fluctuate significantly from one year to the next as data on actual savings becomes available.

6. It is important to note that nearly all programs in the nine State expenditure categories sometimes receive substantial funding from sources other than the State General Fund. These sources include billions of dollars in federal funding, user-fee revenues, and local property tax monies. The categories public “K-12 Education” and “Higher Education” (specifically the State’s community colleges) in particular receive billions of dollars in local tax revenues. Please see the notes for Displays 8, 9 and 10 for further information on the overall State spending plan.

7. The cumulative General Fund expenditure totals shown in Display 1 will not directly reconcile with either the “Grand” or “Budget Act” totals presented in Schedule 9 because all monies for “Capital Outlay” are not included in this display.

8. Information shown for fiscal years 1999-2000 and 2000-01 was provided by the Department of Finance and reflect the appropriations levels contained in the 2000-01 Budget Act.

Sources: governors’ budgets and analyses, 1969-70 through 2000-01 (Schedules 9 and 3); the DOF.

DISPLAY 2

1. Please see the notes for Display 1 for addition information and explanations of the data in Displays 1 through 3.

2. Information shown for fiscal years 1999-2000 and 2000-01 was provided by the Department of Finance and reflect the appropriations levels contained in the 2000-01 Budget Act.

Sources: governors’ budgets and analyses, 1969-70 through 2000-01 (Schedules 9 and 3); the DOF.

DISPLAY 3

1. Please see the notes for Display 1 for additional information and explanations of the data in Displays 1 through 3.
2. Information shown for fiscal years 1999-2000 and 2000-01 was provided by the Department of Finance and reflect the appropriations levels contained in the 2000-01 Budget Act.

Sources: governors' budgets and analyses, 1969-70 through 2000-01 (Schedules 9 and 3); the DOF.

DISPLAY 4

1. Personnel Years (PYs) are the actual or estimated portion of a position expended for the performance of work. For example, a full-time position that was filled by an employee for half a year would result in an expenditure of 0.5 personnel years.
2. The category "Other Govt. Functions" is comprised of the five smallest State government expenditure categories in Displays 1-3. They are: "Legislative, Judicial and Executive," "State and Consumer Services," "Business, Transportation, and Housing," "Resources," and "General Government." These five categories are combined here because of their relatively small General Fund expenditures and the volatility of their individual funding levels and movement of State agencies within them for various years.
3. Please refer to the notes in Display 1 for additional information and explanations of the data in Displays 4 and 5, particularly for the movement of state agencies and departments among the various expenditure categories over time.
4. Information shown for fiscal years 1999-2000 and 2000-01 are estimates and projections.

Sources: governors' budgets and analyses, 1969-70 through 2000-01 (Schedules 4a, 4b and Table 1); DOF.

DISPLAY 5

1. Please see the notes for Display 4 for additional information and explanations of the data in this display.
2. These dollar amounts show all position classifications. The information reflects net data after salary savings (salary savings are savings resulting from position vacancies and downgrades).

This salary information does not include the costs of non-salary staff benefits, such as health insurance.

3. Information shown for fiscal years 1999-2000 and 2000-01 are estimates and projections.

Sources: governors' budgets and analyses, 1969-70 through 2000-01 (Schedules 4a, 4b and Table 1); DOF.

DISPLAY 6

1. Please see the third note for Display 4 for explanations and information on the combined expenditure category "Other Govt. Functions."
2. The "Constant 2000-01 Dollar" amounts shown here are calculated using the "State and Local Purchases" deflator; please see the notes to Display 65 for more information on this index.
3. Information shown for fiscal years 1999-2000 and 2000-01 are estimates and projections.

Sources: governors' budgets and analyses, 1969-70 through 2000-01; U.S. Bureau of Labor Statistics; California DOF.

DISPLAY 7

1. "Major" revenue sources for the State General Fund consists of major taxes and licenses; there are presently 14 listed. The largest four of these sources account for more than 97 percent of total "Major" revenues. They are: Bank and Corporation (Income) Taxes, Insurance Gross Premiums Tax, Personal Income Tax, and Retail Sales and Use Taxes.
2. "Minor" revenue sources for the State General Fund consists of revenues sources from the combination of the following five categories: "Regulatory Taxes and Licenses" (presently, there are 39 sources listed), "Revenues from Local Agencies" (14 sources), "Services to the Public" (14 sources), "Use of Property and Money" (12 sources), and "Miscellaneous" (17 sources). Presently, of the eight-dozen sources listed in these five categories, three sources account for almost 70 percent of "Minor" revenues -- "Trial Court Revenues," "Income from Pooled Money Investments," and "Revenue-Abandoned Property."
3. "Transfers and Loans," as a revenue sources for the State General Fund consists of funds moved in and out of the General Fund from pres-

ently 65 different accounts. It is possible for this revenue source to show a negative (debit) balance, because the funds are transferred out of the State General Fund into other funds are accounted for here. The transfer of resources from one fund to another is based on statutory authority or special legislative authorization.

4. The “Major,” “Minor,” and “Transfer and Loans” revenue sources described here for the State General Fund also provide resources for “Special Funds.” The largest “Special Fund” revenue sources that do not go into the State General Fund are transportation and vehicle charges -- “Motor Vehicle License (In-Lieu) Fees,” “Motor Vehicle Fuel Tax (Gasoline),” and “Motor Vehicle Registration.” In 1998-99, these three combined sources, accounted for almost \$8 billion of the \$11.2 billion in “Special Funds.”

5. Information shown for fiscal years 1999-2000 and 2000-01 are estimates and projections.

Sources: governors’ budgets and analyses, 1969-70 through 2000-01 (Schedules 8 and 21); DOF.

DISPLAY 8

1. This display is compiled from the “Total State Spending Plan,” presented in Schedule 2 of the Governor’s Budget. It is constructed for informational purposes to show in one place the expenditures of all funds that are accounted for by the State. In designing Schedule 2, State officials have attempted to minimize double-counting of expenditures, misinterpretations of fund sources and balances, differences in accounting methods between funding categories and other problems impacting data consistency and accuracy.

2. The State “General Fund” is the predominant fund for financing State operations. The primary sources for the General Fund revenue s are personal income taxes, sales tax and bank and corporation taxes. This display shows General Fund *revenue* totals and differs from the General Fund *expenditure* totals in Display 1. Additionally, this display’s General Fund totals include fund balances, carryovers, and other unspent funds not included in Display 1.

3. “Special Funds” is a generic term used for “governmental cost funds” other than the General Fund. Governmental cost funds, generally, are funds used to account for revenues from taxes,

licenses and fees where the use of such revenues is restricted by law for particular functions or activities of government, such as gasoline taxes dedicated solely to transportation programs.

4. The term “Federal Funds” describes all funds received by the State directly from an agency of the federal government but not those received through another State department.

5. “Local Property Tax Revenues” are revenues generated from assessments, or tax levies, that are enacted by local governmental units based on the value of tangible property. Locally, the monies generated by these assessments are distributed by the county auditor to cities, counties, school districts and other “special” districts, and to redevelopment agencies.

6. “Nongovernmental Cost Funds” is a category used to account for monies derived from sources other than general or special taxes, licenses, fees or other State revenues. These funds differ from “Special Fund” in that they are not generated by, nor designated for, specific governmental activities. Classifications of these funds include: Public Service Enterprise Funds, Working Capital Revolving Funds, Bond Funds, Retirement Funds, and other funds including Local Property Tax Revenues. For the purposes of this display, local property tax revenues are displayed as a separate fund source in Displays 8 and 9; and are *not* included in this report as nongovernmental cost funds.

7. Only estimates of appropriations accounted for as “Nongovernmental Cost Funds” are available for fiscal years 1975-76 and 1976-77. Methodologically consistent information on nongovernmental cost funds is not available prior to the 1975-76 fiscal year.

8. Omitted from this display is the category “Selected Bond Funds,” since bond proceeds are accounted for as expenditures in one or more of the other classifications in this display when debt service is paid on the bonds.

9. The information shown for fiscal years 1999-2000 and 2000-01 consists of estimates from the 2000-01 Governor’s Budget, updated by the Department of Finance. The Department of Finance, the Legislative Analyst’s Office, and State Board of Equalization provided information for earlier years.

Sources: governors' budgets, 1967-68 through 2000-01, Schedules (parts A and B) and 1 (parts B and C), and for earlier years Schedules 3, 4, 5, and 6; State Board of Equalization Annual Reports; and supplemental information.

DISPLAY 9

1. Please see the notes for Display 8 for additional information and explanations of the data in Displays 8 and 9.

Sources: governors' budgets and analyses 1967-68 through 2000-01, Schedules (parts A and B) and 1 (parts B and C), and for earlier years Schedules 3, 4, 5, and 6; State Board of Equalization Annual Reports and supplemental information.

DISPLAY 10

1. Please see the notes for Display 8 for additional information and explanations of the data in this Display.

2. The "Constant 2000-01 Dollar" amounts shown here are calculated using the "State and Local Purchases" deflator; please see the notes to Display 65 for more information on this index.

Sources: governors' budgets and analysis, 1967-68 through 2000-01, Schedules 2 (parts A and B) and 1 (parts B and C), and for earlier years Schedules 3, 4, 5, and 6; State Board of Equalization Annual Reports, Bureau of Labor Statistics, and supplemental information.

DISPLAY 11

1. Please see the definition "Proposition 98" in Appendix B of this report. The funding for Prop 98 funding shown here is on an "adjusted cash" basis, that is, these funds represent the actual amounts appropriated to the funded entities. This differs from fiscal information shown on a "budgeted basis," where amounts shown are only the initially intended spending in a given fiscal year. Only the Prop 98 data for the present (1998-99) and budget (1999-2000) years are not actual expenditure amounts.

2. For the Proposition 98 information, "Related Agencies" includes the California Youth Authority and State Special Schools. These agencies offer generally pre-college instruction to their clients, usually in consultation with State and local K-12 school officials.

3. The information shown for fiscal years 1999-2000 and 2000-01 consists of estimates from the 2000-01 Governor's Budget, updated by the Department of Finance. The Department of Finance and the Legislative Analyst's Office provided information for earlier years.

Sources: governors' budgets and analyses, 1980-81 through 2000-01, Schedule 13 (parts C through E) and other data tables, and supplemental information.

DISPLAY 12

1. Please see the definition of "the State Appropriations Limit" (SAL) in Appendix B of this report.

2. No official "SAL Balance" was calculated for fiscal years 1978-79 and 1979-80; for fiscal years 1982-83 through 1984-85, only "NET Total SAL Appropriations" data are available.

3. The information shown for fiscal years 1999-2000 and 2000-01 consists of estimates from the 2000-01 Governor's Budget, updated by the Department of Finance. The Department of Finance and the Legislative Analyst's Office provided information for earlier years.

Sources: governors' budgets and analyses, 1980-81 through 2000-01, Schedule 13 (parts C through E) and other data tables, and supplemental information.

DISPLAY 13

1. At a meeting on April 25, 1997, representatives of the University of California Office of the President (UCOP) requested that they re-format the displays of UC-specific information shown in this years' *Fiscal Profiles* report. CPEC agreed to this request, thus the presentation of UC data may not always be consistent with that shown for the other public systems. Please contact the UCOP Budget Office (510-987-9115) with questions about the UC information contained in this report.

2. "Combined Revenues" for the University equal State General Funds plus "Systemwide Student Fees" (SSF).

3. "Fund/Revenues per FTES" equal revenue sources divided by FTES; SSF are divided by "combined" revenues to determine "SSF as % of Totals."

4. "SSF" consists of "Educational" fee, "University Registration" fee, and the "Fee For Selected Professional Students" initially established in the 1990 Budget Act for law and medical school students at UC, then expanded to include other professional schools in the 1994-95 budget.

5. Amounts shown for fiscal years 1999-00 and 2000-01 are based on the 2000-01 Regents' Budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; University of California, Office of the President; and supplemental information.

DISPLAY 14

1. The CSU's 1998-99 State General Fund amount included approximately \$80 million in one-time monies.

2. CSU State General Funds for 1982-83 through 1987-88 are "Net General Funds," as transmitted by the CSU Chancellor's Office. These years' data were re-calculated to extract appropriated revenues (student fees), per a change in the State's definition of CSU State General Funds.

3. "Systemwide Student Fees" (SSF) for the CSU consists of "State University" and "Student Services" fees. Prior to the 1975-76 fiscal year, the State University's "Student Services" fee was entitled the "Material and Services" fee. "State University" fee was established in 1981-82, while the "Student Services" fee was abolished after 1985-86.

4. The California Maritime Academy (CMA) officially became the California State University's (CSU) 22nd campus starting with fiscal year 1993-94, thus, this report no longer includes a separate display for the CMA.

5. "Revenues per FTES" equals revenue sources divided by FTES; "Combined" revenues are divided by SSF to determine "SSF as % of Totals."

6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget. Please see the notes for Display 64 for further information on these enrollment data.

Sources: governors' budgets and analyses; 1967-68 through 2000-01; supplemental information.

DISPLAY 15

1. In 1991-92, the California Community College's ADA enrollment was converted to FTE student enrollment, and is now shown as such, comparable to enrollment in UC and CSU. Part of the conversion from ADA to FTES enrollment was a policy change that affected the formula used to calculate community college's funded enrollment. This change produced a one-time increase in FTES of approximately 12 percent in the 1991-92 fiscal year. Only "State and Local Funded" credit and non-credit FTES funded by State and local appropriations are shown here; excluded are federally and other-funded FTE enrollment. All of the measurements of funding per FTE enrollment for the community colleges use only "State and Local Funded" FTE student enrollment. Please see Display 62 for an additional breakdown of community college FTE student enrollments.

2. Beginning in 1984-85, "Combined Revenues" include monies from the "State Enrollment Fee," which was implemented that year. These monies are not shown separately here, only as part of Combined Revenues. "State Enrollment Fee" annual totals are shown in Display 24.

3. "State and Local Funds Per FTES" include Local Revenues, as the Community Colleges' General Fund levels are partially dependent on these local revenues.

4. Proposed "State Enrollment Fee" revenue estimates for 1999-2000 are those contained in the 2000-01 Budget Act.

5. The State General Funds (SGFs) listed reflect revenues available to the Community Colleges for a particular fiscal year and may not correspond to amount appropriated to satisfy that year's "Proposition 98 Funding Guarantee." SGFs listed for 1995-96 include \$26 million in block grants that count toward the 1994-95 Prop. 98 funding guarantee. SGFs listed for 1996-97 include \$76.9 million in block, \$60 million for deferred maintenance, and \$20 million for Americans with Disabilities Act (ADA) facility projects. Of the \$76.9 million in block grants available for 1996-97, \$55.6 million count toward

1995-96, \$19.7 million counts toward 1994-95, and \$1.7 million counts toward 1991-92.

The 1996-97 deferred maintenance and ADA funds count towards the 1995-96 Prop. 98 funding guarantee. SGFs for 1997-98 include \$98.5 million for Instructional Equipment and Library Materials, \$10 million for Childcare Facilities, \$20 million for School Maintenance and Special Repairs, and \$1.8 million for a "State-Mandated Local Programs" deficiency. The SGFs for 1997-98 listed above count toward the 1996-97 Prop. 98 funding guarantee. SGFs for 1998-99 includes \$37.6 million in block grants for Instructional Equipment and Library Materials and \$37.6 million for Scheduled Maintenance and Special Repairs. Of the SGFs for 1998-99, \$20.5 million count toward the 1996-97 guarantee and \$54.7 million count toward 1997-98. Of the SGFs for 1999-2000, \$10.0 million in block grants for Instructional Equipment and Library Materials that count toward the 1998-99 Prop 98 funding guarantee.

6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses and background information, 1967-68 through 2000-01; supplemental information¹. In 1991-92, the California Community College's ADA enrollment was converted to FTE student enrollment, and is now shown as such, comparable to enrollment in UC and CSU. Part of the conversion from ADA to FTES enrollment was a policy change that affected the formula used to calculate community college's funded enrollment. This change produced a one-time increase in FTES of approximately 12 percent in the 1991-92 fiscal year. Only "State and Local Funded" credit and non-credit FTES funded by State and local appropriations are shown here; excluded are federally and other-funded FTE enrollment. All of the measurements of funding per FTE enrollment for the community colleges use only "State and Local Funded" FTE student enrollment. Please see Display 62 for an additional breakdown of community college FTE student enrollments.

2. Beginning in 1984-85, "Combined Revenues" include monies from the "State Enrollment Fee," which was implemented that year. These monies are not shown separately here, only as

part of Combined Revenues. "State Enrollment Fee" annual totals are shown in Display 24.

3. "State and Local Funds Per FTES" include Local Revenues, as the Community Colleges' General Fund levels are partially dependent on these local revenues.

4. Proposed "State Enrollment Fee" revenue estimates for 1999-2000 are those contained in the 2000-01 Budget Act.

5. The State General Funds (SGFs) listed reflect revenues available to the Community Colleges for a particular fiscal year and may not correspond to amount appropriated to satisfy that year's "Proposition 98 Funding Guarantee." SGFs listed for 1995-96 include \$26 million in block grants that count toward the 1994-95 Prop. 98 funding guarantee. SGFs listed for 1996-97 include \$76.9 million in block, \$60 million for deferred maintenance, and \$20 million for Americans with Disabilities Act (ADA) facility projects. Of the \$76.9 million in block grants available for 1996-97, \$55.6 million count toward 1995-96, \$19.7 million counts toward 1994-95, and \$1.7 million counts toward 1991-92.

The 1996-97 deferred maintenance and ADA funds count towards the 1995-96 Prop. 98 funding guarantee. SGFs for 1997-98 include \$98.5 million for Instructional Equipment and Library Materials, \$10 million for Childcare Facilities, \$20 million for School Maintenance and Special Repairs, and \$1.8 million for a "State-Mandated Local Programs" deficiency. The SGFs for 1997-98 listed above count toward the 1996-97 Prop. 98 funding guarantee. SGFs for 1998-99 includes \$37.6 million in block grants for Instructional Equipment and Library Materials and \$37.6 million for Scheduled Maintenance and Special Repairs. Of the SGFs for 1998-99, \$20.5 million count toward the 1996-97 guarantee and \$54.7 million count toward 1997-98. Of the SGFs for 1999-2000, \$10.0 million in block grants for Instructional Equipment and Library Materials count toward the 1998-99 Prop. 98 funding guarantee. Of the SGFs for 2000-01, \$100 million in block grants for instructional equipment, library materials replacement, technology infrastructure, and scheduled maintenance/special repairs count toward the 1999-2000 Prop. 98 funding guarantee.

6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses and background information, 1967-68 through 2000-01; supplemental information.

DISPLAY 16

1. Display 16 through 18, contain information on revenues used for instruction-related activities for California's three public higher education systems in various fiscal years, by fund source and averaged over FTES enrollment for each system. Additionally, data are incorporated from the AICCU showing expenditures -- not fund sources -- for instruction-related activities in 70 of the association's 72 member institutions. The public-sector information was initially generated for the Commission report, *Expenditures for University Instruction* (Commission Report 93-2) that contains background detail on the numbers shown here.

2. The methodology for determining these instruction-related revenue data were agreed upon by the Commission, the three public higher education systems, the Department of Finance, the Office of the Legislative Analyst, and other officials involved with the earlier project.

3. Some of the totals presented here will not equal the sum of amounts listed in the columns due to rounding.

4. "Systemwide Student Fees," for the purposes of this display are as follows: CCC -- the State Enrollment Fee; the CSU -- the State University Fee, and; the UC -- the "Educational," "Registration," and "Fee for Selected Professional School Students."

5. State General Funds used to calculate I-R revenues per FTES in 1998-99 include \$70 million in one-time funds to support core needs.

6. For the University of California, State General Funds used to calculate average revenues per FTES for 1998-99 include \$70 million in one-time funds to support core needs.

7. Amounts shown for fiscal year 1998-99 are estimates based upon the most recent information available.

Sources: governors' budgets and analyses, 1990-91 through 2000-01; UCOP

DISPLAY 17

1. Please see the notes for Display 16 for additional information and explanations of the data in this Display.

2. Please see the first note for Display 22 for information on "NET State University Revenues."

3. Amounts shown for fiscal year 1998-99 are estimates based upon the most recent information available.

Sources: governors' budgets and analyses, 1990-91 through 2000-01; the CSU, Office of the Chancellor

DISPLAY 18

1. For the CCC, FTES totals used in these calculations include only "State-Funded" FTES enrollment. The State General Funds shown here includes both "Local Assistance" and "State Operations" categories. Based on instructions from the Chancellor's Office, the community colleges' "instructional expenditures" data are calculated directly from information contained in other displays in this report -- FTES enrollment information from Display 64 and system funding data from Displays 15 and 26.

2. The column "State Funds + Local Funds" consists of combined State General Funds, Local Revenues, and State School Funds -- all State-determined fund sources. Current State funding formulas determine the General Fund level for the California Community Colleges, based upon the level of local property tax revenues anticipated being available. Thus, only "revenues per full-time-equivalent student" enrollment for combined General Funds and Local Property Tax revenues are calculated in this report.

3. For the AICCU (Independent) institutions, the "Instruction-related Expenditures per FTE Student" data and calculations are taken from Display 55. Based on definitions of the reported IPEDS data and consultations with the AICCU, it was determined that only expenditures in the following categories should be considered as related to general campus instruction: "Instruction," "Research," and Academic Support." Please see the

notes to that display for additional information on the AICCU information.

4. The AICCU provided all of the instruction-related expenditures data for member independent institutions that was available to them for this report.

5. Some of the totals presented here will not equal the sum of amounts listed in the columns due to rounding.

Sources: governors' budgets and analyses, 1990-91 through 2000-01; CCC Chancellor's Office; Association of Independent California Colleges and Universities; and Commission staff analysis.

DISPLAY 19

1. Please see the notes for Displays 21 through 27 for additional information and explanations of the data in Displays 19 and 20.

2. Information for fiscal year 1999-2000 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; supplemental information.

DISPLAY 20

1. Please see the notes for Displays 21 through 27 for additional information and explanations of the data in Displays 19 and 20.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; supplemental information.

DISPLAY 21

1. "SSF" consist of the University's "Educational," "Registration," and "Professional Students" fees.

2. "General University Funds" for UC consists of "Totals, General Fund Income," as is presented in Table 3 ("Income and Funds Available") of the University's State-budget detail. These funds include: nonresident tuition, application and other fees, prior year fund balances, interest income on fund balances, overhead from State agency contracts, contract and grant overhead,

Department of Energy overhead allowances, and other sources.

3. "University Special Funds" equal "Total, Special Funds Income," minus "subtotals, mandatory systemwide and professional fees", as presented in the University's "Income and Funds Available" information table of the State-budget.

4. "Other (Restricted) Funds" include miscellaneous funds not accounted for elsewhere in this display for various years displayed here to reconcile this chart with "Totals, Budgeted and Extramural Programs" data in UC's State-Budget detail. These monies may include UCRS funds used for general-purpose expenditures (in 1983-84 and 1989-90), "Tobacco Products Sur-tax" funds, "U.S. Government" funds, bond funds used for ongoing operations, and other small fund sources. No extramural funds are included in this category.

5. When viewing this chart it is important to remember that it includes fund sources used for special ("Restricted") purposes, funds used for activities not related to general campus activities, and funding for self-supporting activities. These restricted and/or self-supporting activities include the nearly three-quarters of funds shown here in the two categories "University Special Funds and "Extramural Funds."

6. Information for fiscal year 1999-2000 are estimates based on the 2000-01 Regents' Budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; UCOP; and supplemental information.

DISPLAY 22

1. Please see the notes for Display 21 for additional information and explanations of the data in Displays 20 and 21.

2. Information for fiscal year 1999-2000 are estimates based on the 2000-01 Regents' Budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; UCOP; and supplemental information.

DISPLAY 23

1. "State" funds include both general and special State appropriations and contracts with State agencies.

2. "University" funds include tuition and fees and the categories "Sales and Services, Regents Reserves," and, for earlier years, "Organized Activities" in UC's Financial Scheduling.
3. "Federal" funds include U.S. government appropriations and, for earlier years, federal grants and contracts for organized research, except for the "Major Energy Research and Development Administration" (Dept. of Energy) laboratories.
4. "Private" funds include gifts, contracts and grants, and endowment funds.
5. "Other" funds include local government contributions and other miscellaneous sources of revenue.

Sources: University of California Campus Financial Schedules 1-D through 11-D, 11-C, and 13-C, for years 1965-66 through 1999-2000.

DISPLAY 24

1. For the CSU, "NET State University Revenues" is derived from the program detail contained in the 2000-01 Governor's Budget category is entitled "CSU Higher Education Fees and Income" (Table 3, Page E-66). This category ordinarily consists of systemwide resident student fees and nonresident tuition charges, overhead from foundation contracts and grants, nongovernmental college work study, independent operations, miscellaneous, unscheduled, and unallocated funds, and other revenues. To determine NET State University Revenues, SSFs have been extracted here and placed in a separate category.
2. CSU State General Funds for 1982-83 through 1987-88 are "Net General Funds," as transmitted by the CSU Chancellor's Office. These years' data were re-calculated to extract appropriated revenues (student fees), per a change in the State's definition of CSU State General Funds
3. The California Maritime Academy officially became the 22nd campus of the CSU in fiscal year 1995-96; thus, this report no longer includes a separate display for the CMA.
4. "Systemwide Student Fees" for the CSU consists of "State University" and "Student Services" fees. Prior to the 1975-76 fiscal year, the State University's "Student Services" fee was entitled the "Material and Services" fee. "State

University" fee was established in 1981-82, while the "Student Services" fee was abolished after 1985-86. Only estimates of "State University Revenues" were available for fiscal years 1968-69, 1969-70, 1972-73, and 1986-87.

5. Prior to 1970-71, the "Continuing Education Revenue Fund" was entitled "Extension Program Revenue Fund."
6. "Federal Funds" includes the Federal Trust Fund and other Federal Funds not deposited in the State treasury that are appropriated to the State University and not to any of its auxiliary organizations, along with various other appropriated (and some non-appropriated) federal funds.
7. "Other Funds" has primarily included auxiliary organizations, housing, parking, capital outlay funds in the operating budget, other (unclassified) funds, selected reimbursements, and special short-term funds sources such as the 1987 Higher Education Earthquake Account. As a result of a new reporting structure, beginning with 1996-97 this includes additional auxiliary organizations including intercollegiate athletics, bookstores, and university unions.

8. Periodic changes in category titles and contents in the Governor's Budgets leaves some column amounts here non-reconcilable with budget totals.

9. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: Governor's Budgets and analysis, 1970-71 through 2000-01; and the California State University Office of the Chancellor.

DISPLAY 25

1. Please see the notes for Display 24 for descriptions of the funding categories shown in this display.
2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1970-71 through 2000-01; and the CSU Office of the Chancellor.

DISPLAY 26

1. For fiscal years prior to 1977-78, the category "Student Fees" includes only campus-based

health, parking, and auxiliary fees and nonresident tuition. Beginning in 1984-85, only revenue from the system's mandatory "State Enrollment Fee" is included in this column.

2. Please see the fifth note for Display 15 for explanations and information on the Community Colleges' funding.
3. "Other Funds" includes various combinations of funds from the Instructional Improvement, Special Deposit, Credentials, Federal Trust, COFPHE, SAFCO, and Foster Parent Training accounts, Bond Funds, (prior to 1975-76 only) other federal funds, and other funds.
4. Due to the inconsistent availability of these data prior to the 1978-79 fiscal year, the information shown here has been culled from several displays and tables contained in several information sources; therefore, these data are not fully reconcilable with any one source.
5. "State Enrollment Fee" revenue estimates for 1999-00 and 2000-2001 are based on the 2000-2001 Budget Act.
6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; the CCC Chancellor's Office; and supplemental sources.

DISPLAY 27

1. Please see the notes for Display 26 for explanations of the categories and other important information.
2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; the CCC's Chancellor's Office; and supplemental sources.

DISPLAY 28

1. Please see the notes for Displays 20 through 27 for information on the data shown in this display.
2. Information for fiscal year 1999-2000 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental sources.

DISPLAY 29

1. "Instruction and Research" includes general purpose fund expenditures in general campus and selected health sciences instruction and departmental research.
2. "Academic Support" includes general purpose fund expenditures in the libraries, other academic support items, and teaching hospitals.
3. "Organized Research" includes expenditures for selected health sciences research, agriculture, and other research programs.
4. "Institutional Support" includes general purpose fund expenditures for student financial aid, the operation and maintenance.
5. "Provisions for Allocation" serves as a temporary repository for lump-sum allocations and is used to account for anticipated, but as yet unallocated, funding reductions.
6. The program categories "Special Regents Programs" and "Auxiliary Enterprises" are not included here, since they include only "Restricted Fund" expenditures.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental sources.

DISPLAY 30

1. Please see notes for Display 29 for further explanations and information on the program categories.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental sources.

DISPLAY 31

1. Beginning with fiscal year 1995-96 and the future, the CSU has expanded as well as reconfigured its program categories to more closely reflect the principles and characteristics of college and university financial reporting within the context of State and federal reporting requirements. However, for the CPEC display the newly developed program category titled "Operations and Maintenance of Plant" will remain in "Institu-

tional Support” and “Student Financial Aid” will remain in “Student Services.”

2. For the CSU, “General Purpose Fund Expenditures” shown here include State General Funds and the funding source “Higher Education Fees and Income -- CSU.” Actual CSU State General Fund allocations are lower than the totals shown here; CSU student fees and other income partially offset State General Fund allocations.

3. “Instruction” has traditionally contained expenditures for instruction (i.e., the arts, sciences, vocational/technical, remedial, etc.) and instructional support. Beginning in 1995-96, Instructional Support, newly titled “Academic Administration” has been moved to “Academic Support.” In addition, supervisory coaching classification expenditures have been transferred to “Student Service.”

4. “Research” category was not modified. It still contains funds for activities specifically organized to produce research whether commissioned by an agency external to CSU or budgeted by a campus or the system.

5. “Public Support” category was not modified. It still contains funds for activities for non-instructional community service programs.

6. “Academic Support” has traditionally contained funds for support services for instruction, which include libraries, media services, academic computing, ancillary support, etc. Beginning with fiscal year 1995-96, academic administration has been included in “Academic Support” and administrative computing has been moved to institutional support.

7. “Student Service” has traditionally contained funds for admission and registrar activities and activities that contribute to the social development including athletics, counseling and career guidance, student financial aid, etc. Beginning with 1995-96, supervisory coaches have been included in “Student Service.”

8. “Institutional Support” contains expenditures for central executive-level activities including executive management, fiscal operations, public relations, etc. for 1995-96. In the future, institutional support will include administrative computing. Admissions expenditures have been moved to “Student Services.” Though still shown under “Institutional Support” here, operations and main-

tenance of physical plants has moved to a new program of the same name.

9. “Provisions for Allocation” serves as a temporary repository for lump-sum allocations and is used to account for anticipated, but as yet unallocated, funding reductions. The category “Provisions for Allocations” now includes General Purpose Funds for reimbursed activities.

10. The expenditure category “Auxiliary Organizations” is not shown in this display, as there are no General Purpose Funds allocated under it.

11. Information for fiscal years 1999-2000 and 2000-01 consists of estimates from background detail to the 2000-01 budget, provided by the CSU Office of the Chancellor.

Sources: governors’ budgets and analyses, 1967-68 through 2000-01, and supplemental sources.

DISPLAY 32

1. Please see the notes for Display 29 for further explanation and information on this display.

2. Information for fiscal years 1999-2000 and 2000-01 consists of estimates from background detail to the 2000-01 budget, provided by the CSU Office of the Chancellor.

Sources: governors’ budgets and analyses, 1967-68 through 2000-01, and supplemental sources.

DISPLAY 33

1. Fiscal data for the three expenditure categories shown here include both “State Operations” and “Local Assistance” expenditures.

2. Only estimates of “Apportionments” are available before 1971-72; prior to that time, CCC apportionments were included within public K-12 education totals.

3. “Special Services and Operations” was formerly entitled “Programs and Operations” and “Extended Opportunity Programs.”

4. The category “Administration” was formerly entitled “Administration and Institutional Support” and prior to that “Executive.” Funds for “State-Mandated Local Programs” that are accounted for in this category.

5. From 1981-82 through 1996-97, "Administration" expenses have been charged against the programs incurring the cost. For these years, administrative expenses are subtracted from "Special Services and Operations," which accounted for more than 80 percent of the charge-off. Since 1997-98 the category "Administration" consists of State Operations expenditures for "Apportionments and "Special Services, Operations and Information."

6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; and the CCCs' Chancellor's Office.

DISPLAY 34

1. UC's "Educational" Fee was initiated in 1970-71, and its "Special" fee for professional students was established 1990-91. CSU's "State University" fee began in 1981-82; and its "Student Services" fee was abolished in 1985-86.

2. For informational purposes only, UC's "Fee for Selected Professional Students" is shown here, though it does NOT apply to undergraduates.

3. The Total Fees revenues shown here do not include revenues from nonresident tuition, application fees, or other miscellaneous systemwide and campus-based fees.

4. Funds provided for Board of Governors' financial aid grants are subtracted from the community colleges' State Enrollment Fee revenues shown here.

5. Information for fiscal year 1999-2000 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1970-71 through 2000-01; and UC, CSU, and CCC systemwide offices.

DISPLAY 35

1. Revenues from "Total Student Charges" include the systemwide undergraduate resident student fee totals shown in Display 34 and the nonresident tuition in this display. They do not include "Application" fee revenues, but do include UC's "Fee for Selected Professional Students"

and other miscellaneous systemwide or campus-based fees.

2. Funds provided for Board of Governors' financial aid grants are subtracted from the CCC State Enrollment Fee revenues shown here.

3. CCC nonresident tuition for years 1974-75 through 1980-81 are estimates. The method of computing non-resident tuition was changed in 1980. Nonresident students pay both the State enrollment fee and nonresident tuition in addition to any applicable local campus charges.

4. Resident student fee revenue estimates for 1999-2000 used here are included in "Total" fees and are based upon resident student fee levels for UC, the CSU, and CCC.

5. Information for fiscal year 1999-2000 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1970-71 through 2000-01; and CCC, CSU and UC systemwide offices.

DISPLAY 36

1. "SSFs" are paid by full-time undergraduate students enrolled for two semesters or three quarters: the "Educational" and "University Registration" fees at UC; the "Student Services" and "State University" fees at the CSU; and the "State Enrollment" fee at the CCCs.

2. Assembly Bill 1318 Assembly Bill 1318 (Ducheny, Chapter 853, Statutes of 1997) reduced systemwide undergraduate student fees at the CSU and the UC by five percent for 1998-99 and 1999-2000 fiscal years. AB 1318 also reduced the systemwide enrollment fees at the CCC from \$13 to \$12 per unit. AB 1118 (Reyes, Chapter 72, Statutes of 1999) further reduced the fees at the CSU and UC by another five percent and reduced the fees at the CCC by another dollar per unit to \$12 per unit. Nonresident students pay the systemwide fees charged to resident students plus an amount equal to the two five-percent fee reductions and the nonresident charge.

3. UC and CSU Total Fees include all mandatory systemwide and campus-based charges (health, student union, etc.) for full-time students.

4. For the 1994-95 academic year, the UC initially collected "Educational" fees at a level 18

percent higher than 1993-94. UC then rebated the part of this increase in excess of 10 percent to students, since the UC's 1994-95 budget allocation was not reduced in mid-year under the provisions of SB 1230 -- the "trigger reduction" bill. The figure shown reflects the 10-percent fee increase for 1994-95.

5. CCC nonresident tuition for years 1974-75 through 1980-81 are estimates. The method of computing nonresident tuition was changed in 1980. Nonresident students pay both the State enrollment fee and nonresident tuition in addition to any applicable local campus charges.

6. At the CSU, "nonresident" tuition levels are determined by multiplying each system's "per-unit" charge by 30 semester units, to determine full-time student charges over an academic year. The UC assesses its nonresident tuition on an annual basis. Students pay it on a quarterly or semester basis.

7. Information for fiscal year 1999-2000 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; CCC, CSU and UC systemwide offices; and supplemental information.

DISPLAY 37

1. Please see the notes for Display 36 for further explanation and information on this display.

2. From 1992-93 through 1995-96, the CSU and CCCs charged a "duplicate degree" tuition to incoming students who already possessed a bachelor's degree or higher. This tuition was roughly equal to the systems' respective nonresident tuition charges. The UC began charging a "duplicate degree fee" in 1994. The duplicate degree tuition expired for community college students in January 1996 and expired for the CSU and UC in August 1996.

Since 1991, the UC has charged a fee of \$376 a year (two semesters or three quarters) to all incoming law and medical students. In 1994, the "Fee for Selected Professional School Students of \$2,000 per year was charged to entering students enrolled in specified graduate programs, including: law, medicine, veterinary medicine, dentistry, and business. Beginning in 1995, entering

students in these programs paid a differential fee ranging from \$3,000 to \$4,000 each year. Beginning in 1996, entering students in these programs paid a differential fee ranging from \$4,000 to \$6,000 each year. In addition, Entering students in specified graduate professional programs in optometry, pharmacy, nursing, and -- only at the Los Angeles campus -- the theater, film, and television program began paying a differential fee, which ranges from \$1,800 to \$3,000 in 1997-98.

3. "Systemwide Student Fees" (SSF) at UC and CSU are those charged to full-time students enrolled for two academic semesters or three quarters; "Total" student fees include campus-based charges (health, student union, etc.). UC's "Special" fee for professional students is not included here; it applies to non-undergraduates (mostly law, business and medical students).

4. The CCC "State Enrollment" fee was initially established in 1984 at \$50 a semester for full-time students and five dollars per unit for part-timers, with a \$50-per-semester cap. The 1992-93 budget established two fee policy changes for the CCCs, effective January 1, 1993: (1) a separate fee level of \$50 per unit, with no cap, was set for students with bachelor's degrees; (2) the regular "State Enrollment" fee level of six dollars per unit, with a \$60-per-semester cap, was increased to \$10 per unit, with no cap.

The 1993-94 Budget Act raised the State Enrollment Fee charge to \$13 per unit with no cap on total fees; this averages out to \$390 per year for full-time students (two semesters, @ at 15 units per). A separate fee level of \$50 per unit for students with bachelor's degrees established by the 1992-93 Budget Act sunset on January 1, 1996.

For 1997-98 the enrollment fee was maintained at the 1996-97 level of \$13 per unit with no cap on the total. For 1998-99 enrollment fee was \$12 per unit with no cap on the total, a reduction from the 1997-98 level of \$13 per unit. The enrollment fee was further reduced to \$11 per unit for 1999-2000 with no cap on the total and has remained at that level for 2000-01.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; and the CCC, CSU and UC systemwide offices.

DISPLAY 38

1. Please see the notes for Display 37 for further explanations and information about these data.
2. For all past years through 1993-94, index values were calculated to measure annual changes in California Personal Income based upon consultation with representatives of the former State Commission on State Finance (COSF), as were determinations of index values for the California Consumer Price Index (CCPI). In 1995, the California Department of Finance provided updates to the full series of price inflation indices used in this publication.
3. Only projections of percent change in the U.S. CPI, the CCPI, and California Personal Income are available for fiscal year 2000-01.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; the COSF, CCC, CSU, and UC systemwide offices.

DISPLAY 39

1. Please see notes in earlier displays for explanations and information on "SSF" and "Total" student fees and Displays 65 through 67 for data on price indices, and constant dollar calculations. All student fees totals shown here are those charged on an annual basis, as approved in the 1999-2000 Budget Act.
2. Fiscal year 1999-2000 "constant dollar" amounts are calculated using the Higher Education Price Index (HEPI). The FY 00 constant-dollar amounts are calculated by dividing the 1999-2000 HEPI value by the HEPI index value for each year, then multiplying the result -- the inflation factor -- by the appropriate year's number to be converted, in this case student fee levels. For example, to get UC Total Fees for 1965-66 in FY 00 *constant* dollars [\$1,565]: divide the FY 00 HEPI index value [190.3] by the FY 66 HEPI index value [29.8]; this yields an inflation factor of 6.3859 for 1965-66; this factor is multiplied by the *actual* FY 66 UC Total Fee [\$245] to arrive at \$1,565.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; COSF and LAO; and UC, the CSU, and CCC systemwide offices.

DISPLAY 40

1. The Cal Grant A program began in 1955-56 as the State Scholarship Program; the Cal Grant B program began in 1969-70 as the College Opportunity Grant Program; and, the Cal Grant C program started in 1973-74 as the Occupational Education and Training Grant Program. The three programs received their current names in 1977-78.
2. The first year of federal funding for State Student Incentive Grants (SSIG) was 1974-75.
3. Information shown for fiscal years 1999-2000 and 2000-01 consists of estimates from the 2000-01 Governor's Budget, as amended by the 2000-01 Budget Act.

Sources: governors' budgets and analyses, 1969-70 through 2000-01; and CSAC.

DISPLAY 41

1. The Cal Grant T program, established in 1998-99, is a need-based program that provides tuition and fee assistance to students attending a teacher credential program at an approved California public or private institution. The Cal Grant T provides benefits for one academic year and is intended for students who have not previously participated in the Cal Grant programs.
2. Information for fiscal years 1999-2000 and 2000-01 consists of estimates from background detail to the 2000-01 Governor's Budget.

Sources: governors' budgets and analyses, 1969-70 through 2000-01; and the CSAC.

DISPLAY 42

1. For fiscal years 1969-70 through 1972-73, Tuition and Fee Grants under the Cal Grant B program were set at the actual level of those charges. Thus, the totals shown for these four fiscal years represent the minimum amount of grant funds provided.
2. The final 1992-93 budget included a 15.2-percent reduction in funds for the State's student financial aid programs.
3. Starting in 1996-97, the maximum award shown is for new recipients only. Renewal recipients have the award maximum of the year they entered the program (i.e. the maximum

award for renewal recipients in 1996-97 is \$5,250).

4. Please see the notes for Display 41 for information on the Cal Grant T program.

5. Information for fiscal years 1999-2000 and 2000-01 consists of estimates from background detail to the 2000-01 Governor's Budget.

Sources: governors' budgets and analyses, 1969-70 through 2000-01; and the CSAC.

DISPLAY 43

1. The display includes all student loan programs for which CSAC is the loan guarantor, except the Consolidation Loan Program.

Sources: CSAC, Research and Policy Analysis Branch.

DISPLAY 44

1. COFPHE = Capital Outlay Fund for Public Higher Education.

2. State General Funds for capital outlay in the University is shown in the "COFPHE" category for years prior to 1969-70.

3. "General Obligation State Bonds" includes the series of higher education capital outlay bond issues approved by the voters since 1986 and other State "G.O." bonds.

4. "Other State Bonds and Special Funds" includes the Public Buildings Construction Revenue Bond Fund, High Technology Education Revenue Bonds, and other funds.

5. State funds listed in all but the most recent fiscal year reflect expenditures of all funds released to the University or committed prior to the end of the fiscal year. Because capital funds are available for expenditure on a multi-year basis, some of the data from the Governor's Budget may not correspond to Budget Act appropriations.

6. For the immediate past year and the current budget year, "Other Non-State Funds" reflects only non-State funds associated with proposed State-funded projects. All prior years include non-State funds associated with proposed State-funded projects and non-State funded projects approved by the UC Regents or the Chancellors.

7. Information shown for fiscal year 2000-01 is from the Governor's Budget and the "May Revise."

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 45

1. Please refer to the notes in Display 44 for further explanation and information.

2. Information shown for fiscal year 2000-01 is estimates.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 46

1. State General Funds for capital outlay in the State University are shown in the "COFPHE" category for years prior to 1969-70.

2. "General Obligation State Bonds" includes the series of higher education capital outlay bond issues approved by the voters since 1986 and other State "G.O." bonds.

4. "Other State Bonds and Special Funds" includes revenue bonds, the Public Buildings Construction Fund, and other funds.

5. State funds listed in all but the most recent fiscal year reflect expenditures of all funds released to the CSU or committed prior to the end of the fiscal year. Because capital funds are available for expenditure on a multi-year basis, some of the data from the Governor's Budget may not correspond to actual expenditures.

6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 47

1. Please refer to the notes in Display 46 for further explanation and information.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 48

1. "State Bonds" includes the higher education General Obligation bonds for construction approved by the voters since 1986 and other State "G.O." bonds.
2. "Other State Funds" includes revenue bonds, the Public Buildings Construction Fund, and other special funds.
3. State funds listed in all but the most recent fiscal year reflect expenditures of all funds released to the CCC or committed prior to the end of the fiscal year. Because capital funds are available for expenditure on a multi-year basis, some of the data from the Governor's Budget may not correspond to actual expenditures. Information shown for fiscal years 1999-2000 and 2000-01 consists of estimates, based on the 2000-01 State Budget.
4. Accounting records provided by all 72 community college districts to the Chancellor's Office for fiscal years 1989-90 through 1996-97 show a 10-year expenditure of \$1.2 billion in capital outlay and related expenditures from local district funds. This information does not necessarily correspond with the annual State amounts of appropriated funds.
5. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 49

1. Please refer to the notes in Display 48 for further explanation and information.
2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 50

1. The information in displays 50 through 60 was supplied by the AICCU. It is important to note that since much of this reporting is done on a voluntary bases, the year-to-year mix of reporting institutions may change and this could have a substantial impact upon the data reported.
2. The number and amounts of Cal Grants/Graduate Fellowships indicate numbers and amounts of Cal Grants/Fellowships awarded to all independent colleges and universities.

Sources: AICCU, CSAC, California State Scholarship Commission, Biennial Reports, 1976-78 to 1982-84 and CSAC, Grant Program CSAC, Grant Program Statistics, 1986-87 to 1999-2000.

DISPLAY 51

1. Except for the Cal Grant A Maximum Awards, data on this table are for AICCU member institutions only.
2. "Weighted Average Tuition" represents the average amount paid by students, not the average amounts charged by institutions.
3. "Weighted Average Tuition" is derived by multiplying student FTES enrollment for each institution by total tuition and fee revenues for the institution, then adding these figures for all institutions and dividing the total by the number of AICCU institutions.

Sources: AICCU, "The Guide for Students, Parents, and Counselors," 1980-81 to 1994-95 CSAC, Grant Eligible Schools Reports, 1980-81 to 1995-96; CSAC, California State Scholarship Commission, Biennial Reports, 1976-78 to 1982-84 CSAC, Grant Program Statistics, 1986-87 to 1999-2000.

DISPLAY 52

1. The data for this display was taken from 70 AICCU member institutions.

Sources: IPEDS Finance Survey, FY 1980, FY 1985, FY 1990, FY 1991 - FY 1999.

DISPLAY 53

1. The data for this display was taken from 70 (AICCU) member institutions.
2. Additional fiscal data from the AICCU and other sources is being developed on California's

independent institutions for inclusion in later versions of this display.

Sources: IPEDS Finance Survey, FY 1980, FY 1985, FY 1990, FY 1991 - FY 1998

DISPLAY 54

1. The data for this display was taken from 70 AICCU member institutions.
2. The "Tuition & Revenue" column is shown in thousands of dollars; the "Weighted Average Tuition" column is shown in actual dollars.

Sources: AICCU, "The Guide for Students, Parents, and Counselors," 1970-71 to 1997-98; CSAC, Grant Eligible Schools Reports, 1970-71 to 1998-99; IPEDS Fall Enrollment Survey, 1980, 1984, 1990-97; IPEDS Finance Survey FY 1980, 1985, 1990-99.

DISPLAY 55

1. The data for this display was taken from 70 AICCU member institutions.

Sources: IPEDS Finance Survey, FY 1980, 1985, 1990-99.

DISPLAY 56

1. The data for this display was taken from 70 AICCU member institutions.

Sources: IPEDS Finance Survey, FY 1980, 1985, 1990-99.

DISPLAY 57

1. The data for this display was taken from 70 AICCU member institutions.

Sources: IPEDS Finance Survey, FY 1980, 1985, 1990-99.

DISPLAY 58

1. The data in Displays 58, 59 and 60 was compiled by AICCU from national information on the financing of independent postsecondary institutions in other states.

Sources: State-National Information Network (SNIN), Report on State Assistance Programs; 1984-85 through 1998-99 sessions.

DISPLAY 59

1. Please see the note for Display 58 for further explanation and information about this display.

Sources: State-National Information Network (SNIN), Report on State Assistance Programs; 1984-85 through 1998-99 sessions.

DISPLAY 60

1. Please see the note for Display 58 for explanations and information about this display.
2. Information on "Graduate and Professional" Enrollment was not available from the state of Georgia. Only headcount data were available for the state of Illinois. Public postsecondary enrollment data were not available for the State of Massachusetts.

Sources: State-National Information Network (SNIN), Report on State Assistance Programs; 1984-85 through 1998-99 Sessions.

DISPLAY 61

1. Please see earlier Displays for further explanation and information on Community Colleges' FTES.
2. Included here -- and in all of the enrollment displays showing the community colleges funded student enrollment -- are credit and non-credit FTES funded by State and local appropriations, as provided by the Chancellor's Office. Excluded here are federally and other-funded community college FTES.

3. The CSU headcount totals include enrollment in the system's International Program; enrollments in the CSU Statewide Nursing Program are estimated for 1988-89 and enrollment in the International Program are estimated for 1965-66 and 1966-67. Summer quarter enrollments are included from the beginning of year-round operations in 1965-66; summer quarter enrollments by level are estimated for 1965-66. FTES and headcount enrollment for the CMA -- now part of the CSU system -- are included here as of the 1993-94 fiscal year.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 62

1. Please see the notes for Display 61 for further explanation and information about these enrollment numbers.

2. Information shown for fiscal years 1996-97 through 2000-01 consists of estimates from the segments' systemwide offices and the Department of Finance.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 63

1. "Post-baccalaureate" educational credential students are included here within the "Upper Division" students' column in this display.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, the UC systemwide office, and supplemental information.

DISPLAY 64

1. Please see the notes for Display 61 for important information about these enrollment numbers.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 65

1. Please see Appendix B, "Definitions," for a complete description of the "Implicit Price Deflators," particularly the "State and Local Government" deflator.

Sources: Bureau of Labor Statistics, U.S. Department of Labor; Research Associates of Washington; and California Commission on State Finance, California DOF, LAO.

DISPLAY 66

1. The 2000-01 constant-dollar inflation factors shown here are calculated by dividing each price indices' "index value" for 2000-01 by that indices' index value for each fiscal year. The resulting numbers -- each year's inflation factor -- are then multiplied by the dollar amount being measured (revenue sources, student fees, expenditure categories, etc.) for that same fiscal year to pro-

duce the number which is that dollar amount expressed in 2000-01 constant dollars. Please see the example provided in the note 2 for Display 39.

2. Please see Appendix B, "Definitions," for a full description of the United States Consumer Price Index. The United States Bureau of Labor Statistics "Consumer Price Index for All Urban Consumers," or CPI, is a measure of the average change in prices over time in a fixed market basket of goods and services purchased by U.S. residents. The U.S. CPI is measured from the 1983 federal fiscal year. The U.S. CPI values reported here are on a July 1 through June 30 fiscal year and are based on 12-month averages. This entire series of data was revised in 1995 from information provided by the California Department of Finance.

3. Please see Appendix B, "Definitions," for a full description of the California Consumer Price Index. The highlighted "California Consumer Price Index" (CCPI) inflation factors are those used for the 2000-01 constant dollar calculations presented in other displays in this report. The California CPI and California Personal Income are based on the State fiscal year; the State CPI is measured from the State 1983 fiscal year. Index values for California Personal Income were initially calculated from percent change data and were done in consultation with the Commission on State Finance and the U.S. Bureau of Labor Statistics. This entire series of data was revised this year from information provided by the California Department of Finance.

4. Please see Appendix B, "Definitions," for a full description of the "Higher Education" and "Research and Development" price indices. The HEPI and R&D price indices are shown in federal-fiscal year 1983 dollars; only estimates of these indices for 1999-2000 and 2000-01 are available for this report.

5. The HEPI, Boeck, and R&D price indices are copyrighted by Research Associates of Washington. Thus, this report will no longer show the most recent years' index values or annual percent changes values for these 3 inflation measures.

6. Information shown for all the price indices and personal income for fiscal years 1999-2000 and 2000-01 are estimates.

Sources: Bureau of Labor Statistics, U.S. Dept. of Labor; Research Associates of Washington; and California COSF, California DOF, LAO.

DISPLAY 67

1. Please see the notes for Display 65 and 66 for explanations and information about these data.
2. Information shown for all the price indices and personal income for fiscal years 1999-2000 and 2000-01 are estimates.

Sources: Bureau of Labor Statistics, U.S. Dept. of Labor; Research Associates of Washington; and California COSF, DOF, and LAO.

DISPLAY 68

1. Please see the notes from earlier Displays for explanations of the data in this display. Percent changes in "Total" State General Funds is taken from the calculations in Display 88, which are based on data in Display 1-3.
2. No parity adjustments were calculated for CSU for fiscal years 1965-66 and 1985-86.
3. UC's 1992-93 budgeted faculty salary adjustment includes monies for both 1991-92 and 1992-93 merit salary adjustments. CSU funded its 1991-92 merit step increases from existing resources, and anticipated doing the same for 1992-93, due to collective bargaining contractual obligations. UC's 1994-95 "Budgeted Faculty Salary Adjustment" assumes full restoration of the 3.5 percent reduction in salaries instituted in 1993-94.
4. Information for 2000-01 consists of estimates from the 2000-01 State University and University systemwide offices.

Sources: Bureau of Labor Statistics, U.S. Dept. of Labor; Research Associates of Washington; COSF; LAO; governors' budgets and analyses; Coordinating Council for Higher Education; CPEC; and other information.

DISPLAY 69

1. "State-Determined Funds" as defined here include only those fund sources used for the general, non-restricted educational missions of the three public higher education systems over which they and/or the State (through the Legislature and Governor) have policy and allocation authority.

2. Please see the Definitions" appendices for the full names of the fund source abbreviations used in Displays 68 through 75.

3. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: Governor's budgets and analysis, 1967-68 through 2000-01, and supplemental information.

DISPLAY 70

1. Please see the notes from earlier Displays for explanations of the data in this display.
2. 1999-2000 "constant-dollar" amounts are calculated by multiplying the appropriate-year's HEPI inflation factor by the "actual" dollar amount for the fund sources shown above for each year. Please see notes for Displays 39 and 65-67 for explanations and information on the calculations used to determine constant dollar amounts.
3. "SSFs" for UC consists of UC's Education Fee, the Registration Fee, and the Professional Students Fee.
4. "GUF" includes: nonresident tuition, application and other fees, prior year fund balances, interest income on fund balances, overhead from State agency contracts, contract and grant overhead, U.S. Department of Energy overhead allowances, and other miscellaneous fund sources. Included in UC's 1991-92 GUF total is \$54.7 million that was appropriated in the 1990-91 year but not available until the next fiscal year.
5. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 71

1. Please see the notes from earlier Displays for explanations on these numbers and calculations. The dollars per FTES numbers shown here are based upon calculations from the revenue sources presented and explained in Display 70.
2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 72

1. Please see the notes from earlier Displays for explanations of the data in this display.
2. 2000-01 "constant-dollar" amounts are calculated by multiplying the appropriate-year's HEPI inflation factor by the "actual" dollar amount for the fund sources shown above for each year. Please see notes for Displays 37 and 63-65 for explanations and information on the calculations used to determine constant dollar amounts.
3. CSU "SSF" -- disaggregated here from State University Funds -- consists of State University Fee and the Student Services Fee revenues.
4. SUF consists of nonresident tuition charges, overhead from foundation contracts and grants, private college work-study, independent operations, miscellaneous, unscheduled and unallocated funds, and other revenues.
5. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 73

1. Please see the notes from earlier Displays for explanations of the data in this display.
2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: Governor's budgets and analysis, 1967-68 through 2000-01, and supplemental information.

DISPLAY 74

1. Please see the notes from earlier Displays for explanations of the data in this display.
2. The revenue sources shown here -- State-Determined Funds -- are those over which the State or the CCC exercises direct control or policy-setting responsibility.

3. 2000-01 "constant-dollar" amounts are calculated by multiplying the appropriate-year's HEPI inflation factor by the "actual" dollar amount for the fund sources shown above for each year.

4. For fiscal years prior to 1984-85, the category "Student Fees" includes only campus-based health, parking and auxiliary fees and nonresident tuition. Beginning in 1984-85, only revenue from the system's mandatory "State Enrollment" fee is included in this column.

5. SGFs and Local (Property Tax) Revenues are combined here, as community college SGF levels are partially dependent upon the availability of these local revenues.

6. State School Funds consist of federal oil and mineral revenues.

7. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 75

1. Please see the notes from earlier Displays for explanations of the data in this display.
2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 76

1. "Hastings Funds" include student fee revenues, nonresident tuition, miscellaneous fees, scholarly publication income, overhead from federal contracts, prior-year fund balances, and other sources.

2. For fiscal years prior to 1987-88, "Extramural, Other Funds" includes only federal funds. Beginning in 1987-88, this category includes all current funds to be consistent with the University of California's budget detail; this change results in a one-time increase in these funds for the 1987-88 fiscal year. These sources include private gifts, contracts and grants, investment in-

come, auxiliary enterprise income, and other miscellaneous funds.

3. Hastings College officials report that in fiscal year 1989-90 an extraordinary amount of Extramural Funds were expended to repair damage to the campus caused by the Loma Prieta earthquake. This accounts for the large increase in spending in the category "Extramural, Other Funds" for that year.

4. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, Hastings College of the Law, and supplemental information.

DISPLAY 77

1. Only fiscal data for public K-12 education is included here; all other education agencies accounted for in the "education" section of the State Budget are excluded here. For years prior to 1984-85, several sources are used. Thus, fund totals shown for earlier years may not reconcile with budget-document totals or any one data source.

2. "Other State Aid" includes special funds -- such as the Tobacco Tax and Lottery Funds -- the State School funds, payments to the STRS Fund, selected capital outlay funds used for operations, and other funds. The large increase in these funds for 1985-86 is due to the advent of the "Lottery Education Fund" program.

3. "Local Tax Revenues" includes local debt service taxes, excess property taxes, State property tax subventions, and other miscellaneous local revenues. This information, includes local funding that is NOT part of the Proposition 98 funding formula, thus these totals will not reconcile with other K-12 financing displays that describe Prop 98 funding.

4. "Federal Aid" includes the Federal Trust Fund, SLIAG immigrant education monies, and other federal funds, excluding grants. Last year, these data were revised because of the availability of updated information.

5. "Other Funds" includes federal grants not included as "Federal Aid", county income, reimbursements, and other miscellaneous fund sources for various years.

6. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, DOF, Dept. of Education, and supplemental information.

DISPLAY 78

1. The category "High School" includes annual average daily attendance (ADA) from non-public school Special Education and other special programs.

2. For fiscal years 1967-68 through 1970-71, the ADA for all education of adults that is conducted in other program was included in the "Adult Education" category.

3. ROC / P = Regional Occupational Centers / Programs.

4. Only estimates of average daily attendance were available for the 1970-71 fiscal year.

5. "TOTAL" include Supplemental Summer School average daily attendance.

6. ADA for 1998-99 reflects the elimination of excused absences for the purpose of determining apportionment funding for school districts and county offices of education, per SB 727 (chapter 855, Statutes of 1997).

7. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses 1967-68 through 2000-01, Dept. of Finance, Dept. of Education, and supplemental information.

DISPLAY 79

1. "Combined State Aid" includes "State General Fund" and "Other State Aid," which are described in Display 78.

2. The big increase in State General Fund revenues for K-12 education in the 1978-79 fiscal year was in response to the substantial decline in property tax revenues -- a large portion of which goes to public education -- that resulted from the passage of the property-tax-cutting voter initiative Proposition 13 in June 1978.

3. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses 1967-68 through 2000-01, Dept. of Education, and supplemental information.

DISPLAY 80

1. Please see the notes for Displays 77-79 for explanations and additional information on the data in this display.

2. The "per-capita" appropriations shown in Display 80-86 are calculated by dividing the education systems' appropriations data by California's population. The result is an average amount of State Funds and "combined" State and other funds appropriated to the respective education systems for each person living in the State.

3. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget. Estimates of State population for recent years were obtained from the Demographic Research Unit of the Dept. of Finance.

Sources: governors' budgets and analyses 1967-68 through 2000-01, Dept. of Education, and supplemental information.

DISPLAY 81

1. Please see the notes for Displays 21 and 80 for explanations and additional information on the data in this display.

2. "State Appropriations" includes State General Funds and Lottery Funds appropriated to the UC and "SSF" for UC consists of Education and Registration fees and the Professional Students fee.

3. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 82

1. Please see the notes for Displays 24 and 80 for explanations and additional information on the data in this display.

2. "State Appropriations" includes State General Funds and Lottery Funds appropriated to the CSU.

3. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 83

1. Please see the notes for Displays 26 and 80 for explanations and additional information on the data in this display.

2. "State Approp's and Local Funds" includes State General Funds, Local Property Tax Revenues, and Lottery Funds appropriated to the CCCs.

3. To maintain consistency with the per-capita information shown for the CSU and UC shown in Displays 80 and 81, revenues from the "State Enrollment Fee" initiated in the 1984-85 fiscal year are included for the CCCs.

4. Information shown for fiscal years 1998-99 and 1999-2000 consists of estimates, based on the 1999-2000 State Budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 84

1. Please see the notes for Displays 80 through 83 for explanations and information on these numbers.

2. For K-12 Schools and the CCCs, appropriations include State and Local revenues, including State Aid for K-12.

3. For the CSU and UC, appropriations include State General Fund revenues and systemwide resident student fee revenues.

4. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 85

1. Please see the notes for Displays 1 through 6 and 80 for explanations and information on these numbers.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 86

1. Please see the notes for Display 66 for explanations and information on California Personal Income, index values and inflation factors.

2. Inflation factors used to calculate California Per-Capita Personal Income in 1999-2000 "constant-dollars" are from the California Consumer Price Index (CCPI), from Display 64.

3. Please see Appendix B, "Definitions," for a full description of Total California Personal Income, Per-Capita personal Income, and calculations of index values and inflation factors.

4. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: Bureau of Labor Statistics, U.S. Dept. of Labor; and California COSF, California DOF.

DISPLAY 87

1. "Caseload" expenditures for the State of California are calculated by dividing the combined total of State General Funds, Local Property Tax Revenues, and Nongovernmental Cost Funds (see Displays 8 and 9) by the State population (see Display 80). These particular fund sources are used here because they are general, in use, and are not dedicated to specific purposes, as is the case with "Special Funds" and "Federal Funds."

2. "Caseload" expenditures for the California Public Higher Education are calculated by dividing the public systems' respective "State Appropriations" funds (see Displays 81-83) by the their total headcount enrollment (see Display 88).

3. "Caseload" expenditures for the California Public K-12 Education are calculated by dividing

K-12 total State and Local appropriations by headcount enrollment (see Displays 77 - 79).

4. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; Dept. of Education, systemwide offices, and supplemental information.

DISPLAY 88

1. Headcount enrollment information was provided by the education systems.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01; Dept. of Education, systemwide offices, and supplemental information.

DISPLAY 89

1. Please see the notes for Display 88 for explanations and additional information on these numbers.

2. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 90

1. Please see the notes for Displays 8, 19, 80, and 85 for explanations and definitions of these appropriations and enrollment numbers.

2. "Total California State General Funds" is from Display 8 and "General plus Local Higher Education Funds" are from Display 19.

3. Local Revenues, primarily property taxes, for the CCCs are included in these fund-total calculations because funding formulas base General Fund allotments to the system, in part, on local revenues apportioned to the community colleges.

4. Amounts shown for fiscal years 1999-2000 and 2000-01 are estimates based upon information from the 2000-01 State budget.

Sources: governors' budgets and analyses, 1967-68 through 2000-01, and supplemental information.

DISPLAY 91

1. The states shown here are those with the largest population as of the 1990 census and are arranged in terms of population.
2. Per-capita expenditures are defined here as State government expenditures of selected federal, State, and local revenues averaged over the population of the state.
3. Included in Displays 91 through 95 are State- appropriated funds for student aid and for governing and coordinating boards. State funds appropriated to other State agencies for ultimate allocation to universities to fund their current operations are included here; capital outlay funds are excluded. Please note that expenditures of federal funds are included in Displays 89 through 91.
4. When viewing these data it is important to remember that in addition to State-appropriated monies States rely upon several other revenue sources to fund their higher education systems. Chief among these other sources are student tuition and fee charges and special funding sources, such as state lotteries.
5. The Census Bureau reports that the state of Pennsylvania reclassified three postsecondary institutions (Temple University, the University of Pittsburgh, and Lincoln University) from "private" to "public" in 1991. Public fund expenditures for these three institutions (as are defined by the Bureau) first impacts the calculation of per-capita spending for the state in the 1991-92 data reported here. This event accounts for the near doubling of Pennsylvania's per-capita spending information shown in Displays 91 and 93.
6. Only estimates were available for fiscal years 1968-69 and 1972-73.

Source: U.S. Dept. of Commerce, Bureau of the Census publication "Government Finances," fiscal years 1966-67 through 1995-96.

DISPLAY 92

1. Please see the notes for Display 91 for explanations and information on these numbers.

Source: U.S. Dept. of Commerce, Bureau of the Census publication "Government Finances," fiscal years 1966-67 through 1995-96.

DISPLAY 93

1. The states shown here are those with the largest population as of the 1990 census.
2. Per-Capita expenditures are defined here as state government expenditures of selected federal, state, and local revenues averaged over the population of the state. Please note that expenditures of federal funds are included in Displays 91 and 93.
3. The 30 states shown are ranked annually in descending order of their per-capita higher education expenditures for that year.
4. When viewing these data it is important to remember that, in addition to State-appropriated monies, states rely upon several other revenue sources to fund their higher education systems. Chief among these other sources are student tuition and fee charges and special funding sources, such as state lotteries.
5. Please see the fifth note for Display 91 for important information on the per-capita expenditure data shown for the state of Pennsylvania.

Source: U.S. Dept. of Commerce, Bureau of the Census publication, "Government Finances," Fiscal Years 1986-87 through 1994-95 Census Bureau data.

DISPLAY 94

1. Please see the second and fourth notes for Display 91 for information also applicable to this display.
2. The 35 states shown are ranked annually in descending order of their per-capita higher education expenditures for that year.
3. The information presented for fiscal years 1998-99 and 1999-2000 consists of the most recent estimates available.

Sources: "GRAPEVINE," Illinois State University; and the Chronicle of Higher Education.

DISPLAY 93

1. Please see the notes for Display 92 for explanations and information on these numbers.

2. This display has been reformatted to include data for years 1982-83 through 1997-98.
3. The information presented for fiscal years 1998-99 and 1999-2000 consists of the most recent estimates available.

Source: "GRAPEVINE," Illinois State University; and the Chronicle of Higher Education.

DISPLAY 96

1. The term "Megastate" (coined by Neal Peirce) refers to States with annual higher education General Fund appropriations of \$1 billion or more. This display includes States appropriating \$1 billion or more in at least one year between 1985-86 and 1997-98.
2. This display has been changed from last year to now include data for years 1985-86 through 1999-2000.
3. Only appropriations of State General Funds for the ongoing operations of higher education are included in this display. It is important to remember that states support higher education with a variety of fund sources not shown here, including local tax revenues (for community colleges), student tuition and fee charges, and special funding sources (such as state lotteries), and federal funds.
4. Combined State-fund appropriations for the CSU and UC are shown as a separate entity -- "UC/CSU" -- here from the state of California, in addition to being included in the California fund totals shown. Funding for "UC/CSU" is not counted as a separate entity in the "totals" calculations for appropriations, nor is funding for this entity included in any of the percent changes calculated in the display.
5. The information here for fiscal years 1998-99 and 1999-2000 consists of the most recent estimates available on higher education finance from state and national sources.

Sources: "GRAPEVINE," Illinois State University; "State Higher Education Appropriations 1999-2000," SHEEO; and The Chronicle of Higher Education.

DISPLAY 97

1. Only appropriations of State tax funds (commonly referred to as "State General Funds") are included in this display.

2. Complete names of University of California comparison institutions: U Illinois -- the University of Illinois, Urbana/ Champaign; U Michigan -- University of Michigan, Ann Arbor; SUNY Buffalo -- State University of New York, Buffalo; U Virginia -- University of Virginia.

3. UC's four private faculty salary comparison institutions -- the Massachusetts Institute of Technology, Harvard University, Stanford University, and Yale University -- are not shown here, as no state appropriations data were available for them.

4. Complete names of the California State University comparison institutions: Arizona SU -- Arizona State University; Cleveland SU -- Cleveland State University (Ohio); G. Mason -- George Mason University (Virginia); Georgia SU -- Georgia State University; Illinois SU -- Illinois State University; NC State U -- North Carolina State University, Raleigh; Rutgers -- Rutgers: The State University of New Jersey, Newark; SUNY, Albany -- the State University of New York, Albany; U Colorado -- University of Colorado, Denver; U Connecticut -- University of Connecticut; U Maryland -- University of Maryland, Baltimore County; U Nevada -- University of Nevada, Reno; U Texas -- University of Texas, Arlington; U Wisconsin -- University of Wisconsin, Milwaukee; Wayne SU -- Wayne State University (Michigan).

5. CSU's five private faculty salary comparison institutions -- Bucknell University, Loyola University of Chicago, Reed College, Tufts University, and the University of Southern California -- are not shown here, as no state appropriations data are available for them.

6. No campus-specific appropriations data were available for the faculty salary comparison institutions within the Rutgers University and University of Colorado systems.

7. Information shown for fiscal year 1998-99 consists of computations based upon the most recent revenue estimates available from national sources.

Sources: "GRAPEVINE," Illinois State University; "State Higher Education Appropriations" for selected years, State Higher Education Executive Officers (SHEEO); The Chronicle of Higher Education; and, CPEC

DISPLAY 96

1. Please refer to notes for Displays 63-65, and to the “Appendix B: Definitions” section of the report, for explanations and information on the CPI and HEPI.
2. Due to rounding, the numerical information on General Fund appropriations presented here may be slightly different than the U.S. Totals data shown in Display 92.
3. The index value shown for HEPI for fiscal years 1998-99 and 1999-2000 are estimates; thus the percentage changes calculated for these years are also estimates.
4. The information for the 1998-99 and 1999-2000 fiscal years consists of the most recent estimates available, as reported to “GRAPEVINE.”

Sources: “GRAPEVINE,” Illinois State University; The Chronicle of Higher Education; Research Associates of Washington; and CPEC

APPENDIX A

This appendix contains cumulative “percent change” information for selected periods of time, calculated from data contained in earlier displays in the report. In past years, this information was shown on individual displays. Please refer to notes for the specific displays referenced in Appendix A for further background and details on these data.

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